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# ***JPRS Report***

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## **East Asia**

### ***Southeast Asia***

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# East Asia Southeast Asia

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**Representatives, NLD Officials Declared  
'Absconders'**

*BK2404163391 Rangoon Domestic Service in Burmese  
1330 GMT 24 Apr 91*

[Text] It has been learned that the following people have been declared fugitives from the law by the respective township courts:

Parliamentary representatives belonging to the National League for Democracy [NLD] who were all charged at the Bahan Township Court under Sections 5A, 5B, and 5J of the 1950 Emergency Act and Section 512 of the Penal Code: U Tun Oo of Kyaukkyi constituency, who went to the insurgent KNU [Karen National Union] headquarters at Manerplaw to join Sein Win's provisional government in the jungle [the National Coalition Government of the Union of Burma]; U Myint Maung of Einme-1 constituency and U Hla Oo of Kyauktaga-1 constituency who went to the KNU headquarters at Manerplaw and are cooperating with members of insurgent organizations; and U Than, alias U Than Sein, of Pale-1 constituency, who went to India's Mizoram to carry out seditious work against the government.

NLD parliamentary representative U Saw Win, alias Kyaw Zaw Min, of Tilin constituency who, while serving as an agent to transport timber from Pyinmana for the Yangon [Rangoon]-Syriam Bridge Project, failed to fulfill his obligations and absconded, has been charged at the Thaketa Township Court under Section 6.1 of the Public Property Protection Law and Section 512 of the Penal Code.

U Win Hket, member of the NLD Central Executive Committee who, after being named responsible for harboring a murderer at the NLD headquarters, absconded to the KNU headquarters at Manerplaw, has been charged at the Insein Township Court under Sections 302/34/212 of the Criminal Code and under Section 512 of the Penal Code.

Parliamentary representative Dr. Zahle Tang of Falam-2 Constituency, who belongs to the Chin National League for Democracy and who while facing legal charges at the Kale Township Court under Section 20 of the Printers and Publishers Registration Law, absconded to India.

U Liam Ok of Haka Constituency, an independent Parliamentary representative, who while being charged at Haka Township Court under Sections 5A, 5B, and 5J of the 1950 Emergency Act and Section 512 of the Penal Code, absconded.

Similarly, NLD Organizer for Pegu Division Aung Thaung, alias Maung Maung, son of U Soe Maung; NLD Youth Organizer of Tenasserim Division Nyo Ohn Myint, son of U Win Myint; and former executives of the now defunct Party for National Democracy—U Aye Myint, son of U Maung Thwe, and U Thant Zin Myaing, son of U Tin Maung Myaing—who have all gone to the KNU headquarters at Manerplaw and are working together with Sein Win's parallel government, have all been charged under Sections 5A, 5B, and 5J of the 1950 Emergency Act and Section 512 of the Penal Code at the Bahan and Mayangon Township Courts.

The courts have also declared all of them fugitives from the law.

**STATE OF CAMBODIA****Chea Sim Biographic Information**

91SE0300A Vientiane PASASON in Lao 29 Apr 91  
pp 1, 2

[Unattributed report: "A Biography of Chea Sim, a Member of the Politburo of the Party Central Committee of the KPRP, Chairman of the Cambodian National Assembly, and Chairman of the KUFNCD"]

[Excerpt] Comrade Chea Sim was born in 1932 to a farm family in Romiahek District of Svay Rieng Province.

He went to study when he was young and became a Buddhist priest. He studied Pali and ethics.

In 1952 he entered the revolutionary movement to resist the French colonialists. He was appointed head of a communications unit in the Khmer Issarak Army. He communicated with agents from the countryside and Phnom Penh and also was responsible for mobilizing the priests.

After 1954, because the enemy suppressed the revolutionary forces severely, he continued his revolutionary struggle among the people.

In 1959 he became a member of the KPRP [Kampuchean People's Revolutionary Party] and was appointed party secretary of a canton in Prey Veng Province.

In 1970 he was appointed party secretary of a district in Kompong Cham Province and was a member of the party for the region.

In 1976 he was elected to be a member of the People's Assembly.

In 1978 the genocidal group headed by Pol Pot, Ieng Sary, and Khieu Samphan betrayed its revolutionary responsibility and brutally killed the good revolutionary cadres and people.

Faced with this peril in a collapsing nation, he worked with the many genuine revolutionaries to mobilize in a region to resist fiercely the genocidal Pol Pot regime. At that time he was appointed to be the party secretary of the region to guide the revolutionary movement.

On 2 December 1978 the revolutionaries who had survived the killings of the murderous Pol Pot group united and created the Kampuchean United Front for National Salvation to unite the people of all classes to rise up and overthrow the genocidal Pol Pot regime. At that time he was appointed to be vice chairman of the Kampuchean United Front for National Salvation. [passage omitted]

## ECONOMIC

### Telecommunications Company Head Discusses Plans

91SE0283C Jakarta MERDEKA in Indonesian  
22 May 91 p 7

[Text] Telecommunications development under REPELITA VI [Sixth 5-Year Development Plan] will largely determine the future form of telecommunications. From the viewpoint of current progress and growth, Indonesia should have 7 million SST's [telephone connection units], but, in reality, there are just 1 million SST's. This raises an issue, since telecommunications contributes to national development.

Cacuk Sudarjanto, principal director of PERUMTEL [Telecommunications Public Enterprise], acknowledges that the situation has come about because of inadequate synchronization between the planning and acquisition of telecommunications facilities, particularly in obtaining investment funds.

The big demand resulting from growth in the population and the economy has become an undeniable problem, for PERUMTEL itself has capital to provide only 10,000 SST's.

Add to this the "successful call ratio," or "SCR," problem, which has not been resolved, either from the technical aspect of network and hardware overload or from the nontechnical aspect of conditions caused by subscriber actions.

A low telecommunications investment of only 0.345 percent of PDB [gross domestic product] from 1984 to 1989 resulted in a telecommunications presence of only 0.5 SST per 100 residents. Many people admit, however, that telecommunications have an important role as an infrastructure and as a determinant of success in sharp global competition.

PERUMTEL anticipated such a situation and hopes that investment will reach 1.1 percent of PDB in REPELITA VI. If this investment can be obtained, PERUMTEL, which is a BUMN [state-owned business enterprise], will achieve 3.4 SST's per 100,000 people.

Telephone density and additions to capacity will be quite varied. Sumatra, for example, with its capacity of 413,048 in 1994, will have a density of 1.72 per 100 people. Kalimantan, with its capacity of 84,314 in the same year, will have a density of 1.05 per 100 people. Sulawesi, with 84,314 [as published] SST's (1994), will have a telephone density of 1.05 per 100 people.

Maluku and Irian Jaya, with an estimated 21,708 SST's, will have a telephone density of 0.74 per 100 residents. Nusa Tenggara, with a capacity of 65,974 SST's in 1994, will have a density of 0.99 per 100 people.

The projected telephone density on the Island of Java is exceptional, namely 592,160 SST's (0.87 per 100 residents). Jakarta, the nation's capital, in particular, with 968,560 SST's will have the highest density of 9.79 per 100 people.

Naturally, the problem that arises is cost. For that reason, PERUMTEL always tries to keep down the cost per SST. In REPELITA IV [Fourth 5-Year Development Plan], each SST cost \$2,789, but in 1988 the cost declined to \$2,060. In 1990, PERUMTEL directors tried to keep costs down through a pattern of cooperation that enlarged the role of the private sector. To reach a cost of only \$1,500 per SST, PERUMTEL is also increasing capacity, adopting policies to scale down bureaucratization, and expanding competition in the acquisition of telecommunications equipment.

The provision of 7 million SST's by the end of REPELITA VI will require large funds, because at least \$500 billion (at \$1,500 per SST) will be needed for just 5 million SST's. Meanwhile, based on BPS (Central Bureau of Statistics) data, the PDB is expected to grow from 5 percent annually in REPELITA V [Fifth 5-Year Development Plan] to 6.3 percent annually in REPELITA VI. The PDB was estimated to be \$101.6 billion in 1990.

To add 5 million SST's, the telecommunications investment will be only about 1.1 percent of the PDB. During the period 1984-1989, the PDB grew to 722,701 billion rupiah and telecommunications investment to 2,380 billion rupiah, which meant that this investment was about 0.34 percent of the PDB.

### Giant Task

PERUMTEL is now trying to deal with an increase that will be six times the current capacity. This is clearly a giant task that will involve other authorities. PERUMTEL under Cacuk Sudarjanto is of course seeking to enhance its construction capability in a professional way so that it can add 500,000 SST's per year during REPELITA V.

This year, 348,000 SST's will be added, while 230,000 were added in 1990. Plans call for furnishing 450,000 SST's in 1992.

Cacuk Sudarjanto said that the building of these telecommunications facilities will be supported by funding from three sources obtained through soft credit that Germany gave to the Indonesian Government for loans to PERUMTEL. PERUMTEL received a loan from the U.S. Exim Bank for the network of earth stations and satellite equipment.

Internal PERUMTEL funds for other physical construction and the construction of subscriber lines are to be supported by funds from a domestic bank consortium.

The construction of telecommunications facilities—including subsystems, sources of funds, and acquisition

procedures—will be guided by presidential decisions. Foreign loan funds will be obtained using the procedures and protocols of the countries involved.

Funds totaling 1.5 trillion rupiah are needed for telecommunications construction in 1991, and 313 billion rupiah of this large sum still need to be found.

Besides trying to assemble funds itself for the construction of telecommunications facilities, PERUMTEL is also inviting the participation of the private sector. This cooperation is through a PBH (profit-sharing system) or via grants. During the current REPELITA V, private companies have the chance to build about 425,000 SSTs, and the figure will continue to rise.

This rapid development of telecommunications required that PERUMTEL form a "task force" with three parts: the TELKOM III project, the TELKOM IV project, and PBH projects. In addition, PERUMTEL is conducting a policy of decentralization to the provinces (WITEL's [telecommunications enterprise areas]) and to telecommunications service units (UPT's). These are considered to be "strategic business units."

Because PERUMTEL directors do not consider this policy sufficient, they are conducting a reorganization at headquarters and in the provinces, even to the level of UPT's, which are the spearhead of service.

The question arises as to the extent of PERUMTEL's share and involvement in bolstering the telecommunications industry and its supporting industries. Is it true that such a big investment in telecommunications will also mean stimulation of the domestic economy?

PERUMTEL's connection with manufacturing industries is based on the fact that it is a business organization with many interests in the use of cable, automatic telephone switches (STO's), transmission equipment, and other supporting items.

Although PERUMTEL has an interest in these things, not all domestically produced goods have the necessary quality. It is hoped, therefore, that the quality of domestic industrial products can be raised to meet PERUMTEL's standards. This should be done as soon as possible to avoid subscriber complaints about such items.

Other groups with external relationships with PERUMTEL are financial and banking institutions, management groups such as consultants, government authorities such as the BPKP [Finance and Development Oversight Board], the departments, regional governments, and educational institutions such as colleges.

Cacuk Sudarjanto hopes that the groups with external relationships with PERUMTEL will participate in the development of telecommunications technology by offering improvement of PERUMTEL skills, management, work force, and funding. "We will then together support the development of national telecommunications," he added.

It appears that raising PERUMTEL's status from "PERUM" [public enterprise] to "PT" (with shareholders) is the best step for helping the search for funds and the development of telecommunications. The facilitating of telecommunications will thus spur the economic growth of the nation and the state, putting it on a par with developed countries in the Asian region. May it be so!

#### **Environmental Cost of Industrial Relocation Viewed**

*91SE0283A Jakarta KOMPAS in Indonesian 6 Jun 91 pp 4, 5*

[Article by Krisna Wijaya, Indonesian People's Bank employee and observer of nonoil exports: "NonOil Exports and Environmental Issues"]

[Text] We must acknowledge that some of the growth in the nonoil export industry is supported by the relocation of industry in industrialized countries. This industrial relocation process is occurring because of declining comparative advantages in those countries. Relocation to Indonesia apparently promises many of the economic advantages, particularly in the form of raw materials and relatively cheap labor.

Considerations of comparative benefits alone are not enough. Industrial relocation must also provide competitive benefits like quality, product differentiation, and international markets. Because of what is required for the relocation approach to creating comparative and competitive advantage, the industrial relocation process is still mostly tied to advanced countries. It is not surprising that in reality the relocation process looks like the transfer of industry, with all of its impact, from industrialized countries to Indonesia.

Such industrial relocation is hard to avoid in the short term. The economic growth that we must pursue requires orientation to industries that are "quick-yielding" on the one hand and "export-oriented" on the other. Approaches like these are of course not wrong, for we need sources of foreign exchange for continuity of national development.

We can see the tangible results of industrial relocation in the accelerating growth of our nonoil exports. In the 1991-1992 APBN [National Budget], for example, the nonoil sector's share of exports is projected to be 64 percent. With our growing dependence on the nonoil sector, industrial relocation must continue; but there are consequences, of course. The hottest issue is its relationship to environmental conservation.

Increasing nonoil exports through industrial relocation will have an impact on the environment. Limitations in capital, for example, mean that not all machinery, with attendant technology and "know-how," can be moved to Indonesia. Because of the "quick-yielding" and export orientation, the technology and "know-how" that are brought to Indonesia will generally be related directly

only to the production process. Thus, there is a big chance that relocation will have an environmental impact that is not handled well. Environmental impact may also occur when an industrial relocation is the total transfer of a factory whose environmental impact had not been dealt with completely in the industrialized country.

Nonoil exports through industrial relocation will face serious obstacles in the future. These obstacles are already apparent now that many industrialized countries wanting to give financial assistance to Indonesia are tying their aid to environmental issues. There are also increasingly vocal environmentalists, who have declared war on pollution and environmental damage. The movement is increasingly effective and able even to bring about cancellations of industrial projects. Their method is to boycott products whose manufacturing processes pollute the environment. Note, for example, the case in which an investment of 1.4 trillion rupiah by Astra and Scott Paper in Irian Jaya was cancelled.

#### Attention by Industrialized Countries

With the voices of environmentalists getting louder, both at home and abroad, we should begin to seek a solution so that nonoil exports can continue to flow. At least, efforts should be made to resolve environmental issues on the basis of domestic and international interests.

Industrial relocation benefits the industrialized countries in two ways: first, through the availability of products they buy from Indonesia; and, second, through their own freedom from environmental impact because of the manufacture of the products in Indonesia. On the other hand, while Indonesia benefits from more nonoil exports, it also loses because of demands that environmental conservation be guaranteed.

If the environmental impact must be borne by Indonesia as a producer, all costs involved in the protection and restoration of the environment must be added to the cost of production. In economic terminology, these costs can be considered a "cost of damage." Because the cost of damage is included in production costs, the cost of exports will rise, which in turn will make it more difficult to compete in international markets. The problem then becomes worse, because when the cost of damage is counted, our production of nonoil export commodities becomes no longer optimal.

With production no longer at the optimal level, we lose potential national income from nonoil exports. One form of potential income that we lose is in export taxes. There are also losses to producers because of their inefficient industrial operations. The potential income is lost because the industrialized countries as buyers are not saddled with the cost of damage. Because the industrialized countries benefit from industrial relocation, they should also pay the cost of damage. That is probably the price they should pay and the consequence they should bear to compensate for the environmental demands they make. If Indonesia as a producer bears the

cost, it means that we are subsidizing the industrialized countries by satisfying them with the products they want and with pleasant environmental conditions.

This lack of participation by the industrialized countries in bearing the cost of damage can be categorized as an injustice. In any case, it is hard to accept that Indonesia must subsidize the societies of the industrialized countries. In fact, according to "Coase's Theorem," Indonesia, as owner of production factors, has the right to demand compensation for damage to its environment.

#### Some Notes

It appears that the frame of reference of the environmental issue should be broadened. The problem is no longer a domestic one. It should include attention on the part of the industrialized countries to the handling of the environment. As a function of their more advanced status, their capabilities for resolving environmental problems are much greater. They must do more than raise voices of protest, which are increasingly loud and angry.

The next question is about the kind of attention we want the industrialized countries to give to the environment issue. Generally speaking, it should include both economic and political aspects. It should have reference to both aspects because industrialized countries themselves always relate the two.

From the economic aspect, the cost of damage can be the focus. In other words, the cost of damage should be made a "global cost of damage," which naturally should not be borne by Indonesia alone. If the industrialized countries continue to want our products and demand that industrial operations in Indonesia always avoid an impact on the environment, they should have a part in bearing this global cost of damage. The forms of their attention can include the ones described below.

First, the attention of the industrialized countries to the economic sector can be in the form of technology, information, education, research assistance, and even aid in the acquisition of capital goods, all of which should be related to efforts to reduce the environmental impact. Although these countries have been giving these kinds of aid, they should expand their help in view of their increasingly frequent demands on environmental issues. Besides offering favorable financing for the acquisition of water treatment equipment, for example, they could provide more satisfactory "transfer of knowledge" services. Then, in the acquisition of machinery, they should be honest, not commercial, by refraining from selling machinery with outdated technology that tends to damage the environment.

Second, the attention of the industrialized countries to political aspects is as important as their attention to economic ones. Although their attention to political factors will not directly reduce the global cost of damage, the political support will greatly help to reduce the burden of the global cost of damage. The form of this



attention could be the political will to provide the latest technology and information in the environmental sector. Another very helpful form would be to refrain from always making an issue of the environment, particularly when giving credit or technological aid. This does not mean we should demand that the industrialized countries not take such positions but that they act within appropriate and "proportional" limits.

Various efforts are needed to get industrialized countries to pay attention to environmental issues. In the short term, the most important effort is to see that the government, private interests, environmentalists, and the public all use the same language. This means that the environmental issue should not be developed merely as a domestic issue that is viewed only partially. Because the environmental issue has been globalized, we cannot resolve it by facing it alone. If it can be dealt with globally, we may remain optimistic about the future of nonoil exports.

**Cloves Glut Worries Marketing Board, Parliament**  
*91SE0283B Jakarta KOMPAS in Indonesian 6 Jun 91*  
p 3

[Text] Jakarta (KOMPAS)—So far, 81,000 tons of cloves belonging to the Cloves Support and Marketing Board (BPPC) remain unsold, because GAPPRI (Alliance of Indonesian Associations of Cigarette Manufacturers) members are unwilling to buy the BPPC stock, claiming that they still have enough of their own for production.

Elam Pasaribu, president director of PT [Limited Company] Kerta Negara (KN), discussed this obstacle to the cloves trade in a hearing before DPR [Parliament] Commission VI on Wednesday [5 June] in Jakarta. Deputy Commission VI Chairman Drs. Yahya Nasution led the hearing.

Commission members posed no less than 13 questions. Most of them complained about losses and falling prices at the farm level. They asked if the situation is caused by the fact that the new cloves marketing system is not working properly yet.

According to Elam, the cloves marketing system is not working yet because one of its components is not functioning. In other words, there have not yet been any sales to some of the Indonesian cloves cigarette manufacturers, particularly GAPPRI members, and to other users. The largest cloves consumers have refused to buy because their stocks for this year's production are still adequate.

It is difficult to monitor the adequacy of these stocks, since they are at scattered warehouses and manufacturing sites.

According to Elam Pasaribu, when cigarette manufacturers and other cloves consumers refuse to buy, the big

problem becomes funds. Without cloves sales, the turnover of working capital and the purchasing of cloves from KUD's [village unit cooperatives] are blocked.

Because the output of cloves will continue to rise, the problem must be resolved, particularly after the June-to-August harvest season. If GAPPRI members buy, the 97,000 tons produced by the harvest will be absorbed, for GAPPRI's demand is 85,000 tons per year.

"Each cigarette needs 0.5 gram of cloves, and the cigarette manufacturers are able to make 170 billion cigarettes annually. Thus, GAPPRI needs 85,000 tons, which is enough demand for purchase of BPPC's stocks," Elam Pasaribu said.

The KUD's, which are the lowest links in the marketing system, suffer the most seriously, for they are not able to buy cloves from farmers. "How can the KUD's buy cloves if their funds are not turned over through sales?" asked Elam.

Although two cigarette factories have bought 4,000 tons of the 85,000 tons in BPPC stocks, these sales are not enough to be heartening. The problem is that the BPPC still owns 81,000 tons of cloves, which is no small amount.

Encouraging signs are beginning to appear, however, the PT KN president director said. According to estimates, the cloves stocks owned by the cloves cigarette manufacturers will be depleted by the end of 1991. Therefore, BPPC sales in 1992 will improve, and the new cloves marketing system will move smoothly.

**Must Use Old Stocks**

Elam said after the hearing that the BPPC will not sell new cloves to GAPPRI. The board will sell the stocks in the warehouses first and then the cloves from the latest harvest.

Moreover, when GAPPRI buys the old stocks, it will be responsible for all maintenance costs, including warehouse rents and insurance. There is then the possibility that prices will soar.

"If GAPPRI remains obstinate, GAPPRI itself must bear the consequences; for cloves prices are certain to be higher than last January's, when the price was 11,620 rupiah," he said.

Therefore, to end this long controversy, the BPPC has tried to approach the cigarette manufacturers, a step that apparently has succeeded. In the highly competitive Indonesian cigarette manufacturing culture, when one comes in and buys from the BPPC, the others are sure to follow.

Elam also said that KLBI (Bank Indonesia Liquidity Credit) allocated for the BPPC has not been paid out, making it difficult to buy cloves from farmers at the beginning of June. The delay in paying out the funds is a

result of technical errors, such as a failure to submit some of the documents needed.

According to a KOMPAS source, however, the reason for the funds' not being paid out is not technical errors but a very basic matter. The bank does not want to provide the funds because the cloves held by the BPPC have not been sold. Thus, the new crop will merely pile up, too. The interest owed the bank will also continue to accumulate, putting a burden on the consortium. "Clearly, the bank will not carelessly provide funds for stalled investments, because that would slow economic activity on a larger scale," the source said.

## SOCIAL

### Minister Sudomo Says Blacklisting Policy Legal

BK1705150291 Jakarta ANTARA in English 0847 GMT 17 May 91

[Text] Jakarta, May 17 (OANA/ANTARA)—Coordinating Minister for Political Affairs and Security Sudomo reiterated here Thursday that the government's blacklisting policy had strong legal basis.

He explained that the policy of banning some Indonesians from going abroad or some foreigners from entering the country was in accordance with existing law and regulations.

After chairing a coordinating meeting on domestic political and security affairs, the retired four-star admiral said that the policy was based among others on the

regulation of the Justice Ministry which stated that the Justice Minister had the right to issue or not to issue a passport for Indonesian nationals, depending on certain situations.

The coordinating meeting was attended by head of National Intelligence Board (BAKIN), and representatives of the Attorney General's office, the Supreme Court, Defense Minister, Home Affairs Minister, Foreign Affairs Minister, Armed Forces, and Director General of Immigration Roni Siuap Sinuraya.

Sudomo further explained that the ministerial decree also set out the criteria of travel ban which applied to people awaiting court verdicts or those involved in security, public order and political problems and threatening Pancasila state ideology and the 1945 constitution.

The criteria also covered those violating national economic regulations, especially in the fields of production and distribution.

The minister conceded that the blacklist should be reviewed regularly and that there were many people whose cases had not been re-evaluated for quite a long time. According to Sudomo who was once chief of the influential Kopkamtib [Command for Restoration of National Security and Order] security agency, the Thursday meeting also reviewed the travel ban on the members of the Petisi 50 dissidents group which so far had been valid for ten years, he said, there would be a thorough evaluation on their case.

He also stressed that he would be [word indistinct] to meet with the group's members next Tuesday on the blacklisting policy.

**Banker on Border Trade Problems**

91SE0301A Vientiane PASASON in Lao 26 Apr 91 p 2

[Report by Bouakangbeung: "There Should Be Procedures Appropriate for the Army of Ants"]

[Text] There were vexing problems involving trade along the border between Khammouan Province and Nakhon Phanom Province. One problem was that supervision given to passengers permitted to go back and forth daily and import and export small items had not been as strict as it should have. There were an average of no fewer than 100 persons per day, and there were especially many on Saturday and Sunday.

Comrade Vannavong Vongphachan, director of the Khammouan branch of the New Lao Bank reported to us that some businesses which were permitted to engage in trade were paying their foreign debts through his bank and some were not. This situation created a much greater demand for foreign currency in the market. The problem was that even if one was not registered to engage in the import-export trade one could import and export freely. And a number of people were going back and forth every day to buy goods to bring back to sell, and goods were smuggled past customs by various means, such as by hiring a child, taking him to the dock and having him hide on the boat until dark and then waiting for him to bring the goods off. This was not international trade or official trade. Therefore it should be specified that people on business be taken care of in an appropriate area. If this is not restricted, those who take advantage will go back and forth every day. We should not forget that the companies which are importing and exporting will not be able to compete with this army at all and will collapse, and if we are not able to collect all duties, the state will lose a great deal of revenue.

As regards the procedures for correcting this, the Khammouan branch of the New Lao Bank felt that those entering and leaving the country should be supervised closely. We were ready to make it convenient for tourists and foreign businessmen to enter Laos, but goods

brought in in excess of that allowed under the regulations had to be charged the full duty by the state.

The paying of debts via a bank was a good procedure for assuring that foreign investments and all hard currency would enter our banks so that we could control foreign currency transactions in Laos under resolution 53/PSL of 7 September 1990.

Comrade Vannavong Vongphachan thought that with regard to the foreign debt of those who invested before resolution 53/PSL was announced, the committee controlling investment should go back and record the debt repayment each time that goods were sent in to the investor to see that these figures were complete according to the amount invested and the interest. Then the investor should change to buying and selling through the bank so that the government could control finances and hard currency, could correct the problems with duty collection and could control the use of intermediaries. There were laws covering foreign investment in Laos, there were controls over exporting and importing and there were the legal prerequisites for complete inspections, but the procedures set up in the past were not adequate to meet the requirements of the laws. The enterprises and juristic persons who had incomes from businesses in the LPDR [Lao People's Democratic Republic] should not keep their incomes in baht or dollars; they should keep it all in kip. Those with foreign currency who wished to use it had to exchange it at a bank or a money changer authorized to change foreign currency. As for enterprises which wished to exchange kip for hard currency to pay for imports, they could buy hard currency from the bank at the market rate at the time. The bank would provide a draft, LC or cash depending on the capabilities of the customer and the bank.

All these questions were raised to correct the irregular border trade, reduce the use of the baht in the market, and change the border trade into international trade by making it a priority that those getting export-import licenses be large-scale buyers and sellers and not small merchants who buy and sell freely and illegally back and forth between Thailand and Laos each day.

## POLITICAL

### Razaleigh Ready To Serve PAS for Unity

*BK3005102691 Kuala Lumpur NEW STRAITS TIMES in English 29 May 91 p 2*

[Text] Pasir Mas, Tues.—Semangat 46 [Spirit of 46 Party] is prepared to be a tool for PAS [Pan Malaysian Islamic Party] provided it helps bring about unity among the Malays, its president Tengku Razaleigh Hamzah said.

Despite the allegation made by its political rival, UMNO [United Malays National Organization], that Semangat was being used by PAS for its political gain, he said the party did not mind as long as the Malays were united.

Speaking at a meeting with Pasir Mas PAS and Semangat party workers here, Tengku Razaleigh said the Angkatan Perpaduan Ummah [Islamic Unity Movement] coalition must be truly united in order to win the people's support.

Tengku Razaleigh also said the PAS-led Kelantan Government would not be able to bring development to the State without the Federal Government's support.

"No State Government including oil-rich Terengganu, Selangor, and Perak can develop their States on their own without the backing of the Federal Government," he added.

"I am aware of this as I have served as the finance minister where a number of menteri besar [chief ministers] came to see me to ask for large funds to develop their States."

He urged the Federal Government to continue to develop Kelantan in the spirit of the Federation.

On the defection by some party members to join UMNO, he said the party would not stop those who want to leave as it would help them get rid of disloyal members.

### PAS Insists on Islamic Values in '2020 Plan'

*91SE0304A Kuala Lumpur UTUSAN MALAYSIA in Malay 3 Jun 91 p 3*

[Text] Kuala Lumpur, 2 Jun (BERNAMA)—PAS [Pan-Malaysian Islamic Party] today expressed approval of the government's objective of making Malaysia a developed country by the year 2020, but wants the plan to be implemented on the basis of Islamic values.

PAS President Haji Fadzil Noor said the government also needs to explain the "2020 Plan" in detail.

"The Prime Minister must explain if the concept he wants to implement is like that of Western countries such as the United States, Japan, or the European nations," he said in answer to questions sparked by his policy speech to the 37th Annual PAS Congress.

He said, "Do not think that PAS is antidevelopment. It wants development, but it must be compatible with Islamic values."

PAS is prepared to talk with anyone to explain its position on this issue, he added.

Haji Fadzil also asked PAS organizations at the state level to focus efforts on strengthening the party's position instead of concentrating entirely on questions of development and administration in Kelantan State.

He said Kelantan has enough people to develop and run the state and does not need the help of PAS members from other states.

He said also that PAS rejection of the MCA [Malaysian Chinese Association] plan to create a Chinese cultural center is not because of race but because the project could threaten the status of national integration.

Haji Fadzil said PAS also does not agree with the way UMNO [United Malays National Organization] has handled the issue through closed talks with the MCA, for the public needs to be encouraged to discuss the matter.

UMNO's action follows its normal practice of accepting MCA recommendations after holding private talks with the MCA, he added.

Haji Fadzil said that PAS does not want to be manipulated by anyone, especially by foreign countries, in making decisions about international issues.

He said positions are taken after discussions are held at all levels of the party.

He also rejected the charge that the party does not give any place to women in state administration. In fact, he said, PAS has appointed women to district councils in Kelantan.

He said the Kelantan State Government has nominated a woman to serve as a senator in the Senate's next session.

Haji Nik Abdul Aziz Nik Mat, president of the Islamic Scholars Council and chief minister of Kelantan, said two programs applying Islamic values have been conducted in the administration of Kelantan State.

The first program was one of strengthening ties between Islamic scholars and civil authorities through such things as the holding of group recitations of the Koran during the last fasting month, he said.

He said the participation of government employees in religious activities enables them to understand more clearly the kind of Islamic administration that PAS wants in the state and strengthens ties between the religious and civil spheres.

He said the second program is one of further enhancing the relationship of the Sultan of Kelantan with all levels

of Kelantan society through visits to places throughout the state, including Islamic boarding schools.

Haji Nik Abdul Aziz also said that the state government's outlawing of gambling, liquor, and cultural festivities has reduced crime and immorality in Kelantan.

These efforts have not hurt the tourism industry in the state, he said.

He also said that the state government has sought to save government money through projects that can be conducted through voluntary community effort and without high technology.

## ECONOMIC

### Norwegian Firm Plans Aluminum Plant in Sarawak

9ISE0305A Kuala Lumpur BERITA HARIAN  
in Malay 4 Jun 91 p 7

[Text] Norsk Hydro, a top Norwegian manufacturer, is planning to build an aluminum smelting plant at Bintulu, Sarawak, in a joint venture with domestic investors and with an initial investment of 1.5 billion ringgit.

A study of the project's feasibility is now being conducted and, if the results are acceptable and the study approved, the project for producing aluminum for international markets will be developed in the next one or two years.

The Norwegian ambassador to Malaysia, Eirik Glenne, said that a committee has been formed to evaluate the feasibility study and that a decision is expected by the end of this year.

Speaking in a press conference at Petaling Jaya yesterday, Glenne said that the project has a good chance of

being developed and will play a part in the aluminum market in the Asia Pacific region.

According to Glenne, participants in the joint venture are expected to include the Sarawak State Government, through its Bintulu Development Authority (BDA), and several private domestic companies.

Glenne said discussions are now under way to determine a suitable investment budget for the operation.

"If the project can be implemented, initial investment is expected to total from 1 to 1.5 billion ringgit. Domestic investors are expected to hold more than 50 percent of equity in the joint venture," he said.

He said the proposed plant is expected to produce about 240,000 metric tons of aluminum per year, of which 80 percent will be exported, primarily to the Asia Pacific region because of the area's increasing number of value-added operations using the metal.

When asked why Malaysia was chosen for the project, Glenne said that this country has the capability for conducting aluminum operations and that the government gives incentives and encouragement to foreign investors to develop domestic industry.

"The Malaysian Government is wiser than other countries in the region in the way it serves foreign investors through providing incentives for beginning new operations," he said.

He said Malaysia also has workers oriented to industry and possesses expertise in serving this sector.

Glenne said that, besides this project, Norsk Hydro is also interested in expanding its steel production operations in Malaysia but that planning is still in the initial stage.

Norsk Hydro is also known as the main producer of steel and oil in Scandinavia.

**Imelda Marcos 'Hints' at Running for Presidency**  
*91SE0255D Manila DIYARYO FILIPINO in Tagalog*  
*3 May 91 p 1*

[Reported by M. L. Novella and wires]

[Text] Yesterday, the former First Lady Imelda Marcos proposed to have a talk of reconciliation with President Aquino, and hinted at the possibility of running in the presidential election next year.

Imelda, in a local radio station interview, said, "I have been wanting for a long time to have a face-to-face talk (with Aquino) and to settle whatever misunderstandings we have had."

Imelda added that she has been preparing, for a long time, to meet with the President and to talk to her in the spirit of unity for the brilliant future of the Filipino people.

With regard to the upcoming election, Mrs. Marcos stated that she has no plans for running (as a candidate); however, she believes that everything hinges on fate.

Imelda continued, "Whatever the general public decides, that I will do."

This was the reaction of the former First Lady to the news that her supporters were planning to launch a signature campaign for her candidacy in the election.

Meanwhile, Malacanang announced that the government knows about the return of the former Minister of Information, Gregorio Cendana, in order to face the charges being brought against him.

However, Secretary Franklin Drilon of the Department of Justice (DOJ) insists that he has not received any prior information regarding the return of Cendana.

Cendana returned to the Philippines after hiding for five years in the United States. He was involved in the Aquino-Galman double murder case; this is why he fled abroad.

Upon Cendana's arrival at the Ninoy Aquino International Airport (NAIA), a former officer of the (Airport) National Security Force went up to the plane and paid a 40,000 peso cash bond for the temporary freedom of Cendana.

Similarly, Drilon said that he is very pleased by the return of Cendana because Cendana will now have the charges against him which had been postponed (because of his absence).

The Secretary could not determine why Cendana was not (immediately) arrested when he returned to the country.

**NPA Plan To Destabilize Negros Occidental Government Alleged**

*HK2705122791 Quezon City MALAYA in English*  
*25 May 91 p 8*

[By Eric Loretizo]

[Text] Bacolod City—The New People's Army [NPA] plans to sabotage power lines next month to disrupt economic activities in Negros Occidental, rebel documents seized by the military Thursday revealed.

According to documents seized during a raid in Barangay Sag-aban, Magalona town, the move was part of the rebel's three-pronged plan to destabilize the government.

The other phases of the NPA plan include consolidation of the rebel organization as well as formulating plans of action and staging of mass actions.

PNP [Philippine National Police] Superintendent Nicolas Torres, Bacolod police chief, said the rebels also plan to ransack warehouses of the National Food Authority [NFA] as part of the destabilizing campaign.

But military intelligence said the plan was to augment the rebels' low food supply.

Police and military officials gave assurances that they were prepared to counter any destabilizing move by the rebels.

NFA Manager Gil Ibarra said all seven major NFA warehouses in the province are now fully secured by the military, particularly those located in the southern Negros towns.

**Troops Kill NPA Members in Northern Luzon**

*HK3105052891 Manila DIYARYO FILIPINO*  
*in Tagalog 31 May 91 p 8*

[By Johnny Arasga]

[Text] More than 25 NPA [New People's Army] members were killed by government troops in a new offensive to flush out rebels from their bases in northern Luzon. Brigadier General Orlando Soriano, commander of the 5th Infantry Division of the Philippine Army, said these were killed since the 4 May start of the offensive in six towns in the provinces of Kalinga-Apayao and Cagayan.

One of the military's targets has been the controversial Marag Valley, near the town of Luna in Kalinga-Apayao, which allegedly is a base for the NPA northern command.

Soriano said there have been 34 encounters between troops and rebels thus far.

Over 25 rebels and eight soldiers died during the clashes. The military confiscated seven guns while the NPA made off with five guns.

According to Brigadier General Homer Capulong, commander of the 503d Infantry Brigade, who headed the operation carried out by over 900 soldiers, some 500 rebels are operating in this forested area. He said the Armed Forces of the Philippines has sent doctors, dentists, and teachers to engage in rehabilitation work in Marag.

According to the tribals living there, they were forced to support the rebels in exchange for protection. They accused the government of having long neglected Marag, which was why they agreed to being ruled by the revolutionary government of the National Democratic Front.

However, Armed Forces Chief Lieutenant General Lisandro Abadia said yesterday that he is ready to consider the proposal to grant free passage to the holy city of Mecca for Muslim rebels who surrender with their arms. He said this plan, proposed by a Muslim official, is "out of this world," but the military is prepared to try all means to end the rebellion in Mindanao.

### 20 NPA Members Surrender in Surigao City

*HK2905101991 Manila MANILA BULLETIN  
in English 29 May 91 p 20*

[By Mike Crismundo]

[Text] Bancasi, Butuan City—About 20 New People's Army (NPA) members, including a secretary of the Communist Party of the Philippines surrendered recently to Army's 58th Infantry Battalion [IB] commander Lt. Col. Evedente in sitio Panggaboon, barangay Quezon, Surigao City, an Army report said.

The report which was sent to the office of Col. Sergio Belleza, commander of the 402nd Infantry Brigade based here, said that the surrenderees were led by a certain Manuel Subere.

They belonged to the Surigao del Norte provincial party committee.

They were placed under tactical interrogation at the 58th IB headquarters in Bad-as, Placer, Surigao del Norte.

## POLITICAL

### Former SAP Members Apply To Form New Party

BK2805034791 Bangkok *THE NATION* in English  
28 May 91 p A7

[By Prakopphong Panapunl]

[Text] A group of former dissident members of the Social Action Party [SAP] yesterday submitted an application with the Interior Ministry, seeking to form a new party under the name of "Democracy Party".

The group's representative, Phon Noeipatimanon, who was a former SAP director, submitted the application to register the new party with the Local Administrations Department.

Suphon later told reporters that he needed to submit more information to the department tomorrow to complete the application.

Suphon said the new party's founding members comprised 15 dissidents who had defected from the SAP early this year, including Thada Sawetsila, son of former SAP leader ACM [Air Chief marshal] Sitthi Sawetsila.

Other founding members include former SAP executives, such as Surat Osathanukhro, Subin Pinkhayan, Phong Sarasin, Praphat Limpaphan, Nikhom Saenchaoen and Mai Sirinawakun, according to Supol.

Surat was tipped earlier this month by some members of the group to lead the new party, which was initially planned to be set up under Pong's leadership.

Surat and his group broke away from the SAP after they failed to win the powerful post of party secretary general from Montri Phongphanit, who was supported by former SAP leader and founder Khukrit Pramot. With Khukrit's endorsement, Montri is also acting SAP leader after Khukrit left the party early this year.

Suphon said yesterday that his new party logo would depict the Democracy Monument.

Suphon said he was confident that in the promised general election his yet-to-be-formed party would capture no fewer seats than any other party, even the New Aspiration Party of former Army chief Gen Chawalit Yongchaiyut. The election is promised by the interim Constitution to be held by the end of April, at the latest.

## ECONOMIC

### Deputy Minister Views Gasohol Use

91WN0432C Bangkok *SIAM RAT* in Thai 2 Apr 91 p 6

[Excerpt] [passage omitted] Mr. Wira Susangkonkan, the deputy minister of industry, said that he will push for the production of gasohol. This program has been dangling

since the previous administration. This is part of the plan to help solve the problem of oil prices, which were then rising.

Mr. Wira said that the tax on pure alcohol that is used in conjunction with gasoline to produce gasohol must be reduced or done away with completely. Today, the government's tax on alcohol is about seven baht per liter. This should be reduced to about one baht per liter or done away with completely. This will enable this project to actually get underway. And odor and color can be added to the alcohol so that people can't use this alcohol to produce drinks.

Mr. Wira said that if this project does get underway, everyone will benefit. That includes farmers, who will be able to sell agricultural produce such as cassava and sugar cane that are used in producing alcohol. The plants will be able to purchase the crops at a price favorable to the farmers without having to consider the depressed prices on world markets. Besides this, using 99.5 percent pure alcohol to produce gasohol will help reduce the amount of lead in gasoline. It won't be necessary to use lead to increase the octane value. This will be much cheaper as compared with the NTBE [expansion unknown] additive, and it won't be necessary to import this from abroad.

The Ministry of Industry already has complete data on the gasohol program. The ministry is talking with the Ministry of Finance about reducing or eliminating the tax on alcohol. Once that has been done, this project can get underway. Some people are concerned that if the price of crude oil drops to below \$27 a barrel, it will be difficult to implement this project. But he said that that is not true. This project will still be worth investing in, said Mr Wira in conclusion.

### Central Bank Fears Inflation, Wider Trade Deficit

BK2505042091 Bangkok *BANGKOK POST* in English  
25 May 91 p 17

[Text] Projected improvements in the global economy and government encouragement for the export sector are expected to revitalise business activities during the second half this year.

But rather than welcome these developments, the Bank of Thailand fears they will increase inflationary pressure and further widen the country's international trade deficit.

The Thai Bankers' Association chairman, Siam Commercial Bank president Tharin Nimmanhaemin, said after meeting with central bank executives yesterday the Bank of Thailand was planning further monetary measures aimed at stabilising the economy.

"The Bank of Thailand said trends indicate the global economy will recover in the second half of the year," he said. "The United States, in particular, has announced its



economic recession has bottomed out, so its economy should improve in the second half.

"The Government also has policies to encourage more exports and will implement them to ensure it achieves these goals. Tax adjustments and restructuring are examples.

"Based on these two factors, the Bank of Thailand believes local business activities will become more active in the second half," he said.

To ensure the economy remains stable in the wake of a rapid recovery in the second half, the Bank of Thailand plans to control liquidity in the money market and maintain interest rates at their current levels.

"Commercial banks agree with the central bank that the current interest rates are suitable, but we asked the central bank to control liquidity at the proper levels so it does not affect our operations," said Mr Tharin.

One of the measures prepared by the Bank of Thailand is the issue of bonds by state enterprises and the central bank itself.

"The central bank said total bonds issued by state enterprises between June and September would amount to 24,000 million baht. The Bank of Thailand will issue its own bonds worth about 2,000 million baht.

"These issues should help absorb any excess liquidity and reduce the pressure on commercial banks."

Businesses are due to pay their six-monthly business and corporate taxes, so some liquidity will disappear from the market.

Mr Tharin said the absorption of excess liquidity would help maintain interest rates at current levels.

Lower interest rates would stimulate more public spending, causing further inflationary pressure and worsening the trade deficit, which increased to 97,940 million baht during the first four months this year from 74,975 million baht in the same period of 1990.

The increased trade deficit, coupled with lower income from tourism, resulted in the country's current account deficit more than doubling from 31,604 million baht to 63,340 million baht.

To help stabilise the economy and correct the trade deficit, the Bank of Thailand asked commercial banks at the beginning of the year to control their credit extensions and be more selective so loans benefit the priority and productive economic sectors.

It has set a 25 percent growth limit on lending by banks this year.

Mr Tharin said commercial banks tried their best to comply with central bank recommendations.

"The (Bank of Thailand) Governor (Wichit Suphinit) expressed his satisfaction over the lending performance of commercial banks during the first four months of the year," he said.

Credit extensions from January-April grew by 28 per cent.

"Although this exceeded the target set by the central bank, it was much lower than the growth rate of 33-34 per cent last year."

Net deposits in May are likely to be higher than total net lending for the third consecutive month this year, he added.

"Mr Wichit also appreciated the commercial banks' emphasis on lending to priority and productive sectors as recommended," he said.

## POLITICAL

### Summary of Issues Discussed at Party Congress

912E0190B Ho Chi Minh City SAIGON GIAI PHONG  
in Vietnamese 8 May 91 p 2

[Text] The fifth congress (round one) of Ho Chi Minh City party organization delegates, which was held from 4-7 May 1991, listened to a draft report summarizing the ideas of the delegates based on contributing to the draft documents of the seventh congress and debating six groups of problems proposed to the congress by the presiding officers. Each delegate displayed an attitude of studying the ideas concerning a number of specific problems about which party congresses above the primary level still have different ideas.

This summary presents the ideas discussed by the panels and mentioned in more than 60 papers sent to the presiding officers (of these, only 19 were presented at the conference because of the time restrictions).

#### I. First Group of Problems

##### Evaluation of the Situation and the Leadership of the Party

###### 1. On the need to draft a program:

The great majority of delegates affirmed that the party must and can draft a program due to the requirements of the laws of the Vietnamese revolution and the demands of the international situation.

As the (revised) draft program states: "This program is the combat banner for success in building Vietnam so that it gradually advances to socialism. It is the theoretical, ideological, and political foundation that guides the activities of party members both today and in the coming decades."

Many delegates said that the program should be short, concise, and motivational and that it should avoid loopholes and problems that could cause misunderstandings.

A few delegates said that the Seventh Party Congress should simply issue a program-like "declaration" that sets guidelines for activities to the year 2000.

###### 2. On the name of the program:

Of the 448 delegates who expressed their ideas on this issue, 261 (more than 58 percent) proposed keeping the name as drafted; 187 (almost 42 percent) proposed changing the name of the program in order to highlight the target of building a "prosperous and strong Vietnam" and clarifying the process of moving toward socialism.

###### 3. On evaluating the success of the Vietnamese revolution:

Of the 463 delegates who expressed ideas on this issue, 385 (more than 83 percent) said that the victory of the Vietnamese revolution in the stage of the national democratic revolution was a "great victory" and that in the stage of the socialist revolution since 1975, this must be regarded as an "important victory." Because in this period, along with the successes, the party has made many mistakes and exhibited serious shortcomings.

Seventy-eight delegates (17 percent) said that the Vietnamese revolution has won "great victories" in the past 60 years in both the national democratic revolution and the socialist revolution. The greatness of these victories is manifested in the things that have been accomplished and that have been decisive for the leadership role of the party and the survival of the country.

###### 4. On the socialist revolutionary line:

Of the 469 delegates who expressed opinions on the responsibilities of the party with respect to the socialist revolutionary line, more than 58 percent said that the party "has made mistakes concerning strategic guidance and lines in a number of specific spheres only."

A total of 41.58 percent of the delegates said that prior to the sixth party congress, the party made mistakes concerning the socialist construction line.

#### II. On Socialist Targets

The congress unanimously affirmed that the socialist path and targets chosen by the party and President Ho for Vietnam are completely correct and in accord with the laws of the Vietnamese revolution and the essence and nature of the age. Many delegates criticized people for vacillating on this important problem. During the debates, a few delegates said that to date, in reality, we have only recently completed the national revolution and have not done much to carry out the tasks regarding the people's livelihood and democracy. Because of this, the Vietnamese revolution cannot advance to socialism. The present period should be viewed as a "pretransitional period" during which guidelines are set based on socialism.

Because socialism is a socioeconomic structure that is higher than capitalism, we cannot talk about advancing directly from small-scale production to socialism. In small-scale production, labor productivity is very low and so it is essential to pass through a stage of developing the capitalist means of production, but without following the capitalist political system.

The majority of delegates at the congress disagreed with the two views presented above, because these will hold back the revolution in the stage of the national democratic revolution (the first idea) or put the revolution in the capitalist orbit. This is because it is impossible to separate the economic system from the political system (the second idea). In the transition to socialism, the delegates reminded people of Lenin's views on the use of

state capitalist economic forms: "State monopoly capitalism prepares sufficient materials for socialism." [Footnote 1] [V.I. Lenin, "Collected Works," volume 34, Progress Publishing House, Moscow, page 258]

As for the name of the party and country, a few delegates proposed changing the name of the party and country. Through panel discussions, of those who held this view, a number changed their mind. The great majority of the delegates said that in the Vietnamese revolution's present situation and in the face of the present complex crisis taking place in many former socialist countries, our party congress must keep the present name of the party and country.

### III. A Number of Economic Problems

#### 1. On the economic structure:

Many delegates said that in any economic structure, there are always a number of sectors that are regarded as leading fronts, a number of areas that are regarded as key points, and projects that are regarded as key projects and that form the basis for hitting the strategic targets. Thus, in the economic strategy, the manpower and capital should not be dispersed. It is essential to concentrate these on the key sectors. We have the capabilities to expand and on the areas with much potential and where investments will be most effective. This will create an "economic fist" that will quickly affect the entire economy nationwide.

As for the sectors, many delegates emphasized the role of agriculture in today's national economy and concretely analyzed the positions and policies on agriculture, peasants, and rural areas that have been promulgated but that have not correctly manifested the party's viewpoint, which regards "agriculture as the leading front." Because of this, the expansion of agriculture has been slow and unsteady and the peasants have not been given peace of mind in producing and becoming prosperous.

Along with this, it has been determined that the oil and gas sector is a key economic sector. The achievements scored during the initial stage have created a firm basis for formulating a strategy for stabilizing and developing our country's economy and society to the year 2000.

A number of delegates said that the infrastructure must be built up so that it can serve as a strong point and stimulate economic growth and increase our ability to attract foreign investment capital.

If the three sectors mentioned above, together with a number of other sectors such as energy and the consumer and export goods production industry, are not given priority with respect to investment and a number of other policies, it will be difficult to implement the economic development strategy effectively and quickly.

Once the role of agriculture has been determined, the role of the Mekong Delta must be determined, too. When mentioning the role of oil and gas and of the consumer

and export goods industry, attention must be given to Ho Chi Minh City and to Bien Hoa and Vung Tau-Con Dao.

Ho Chi Minh City, which is closely tied to Nam Bo, is an economic, cultural, and scientific and technical center and both a domestic and international communications hub. It has the ability to attract foreign investors. Politburo Resolution 01 of 1982 defined the city's role and position, but this has not been correctly manifested in the draft documents of the Seventh Congress. For several years now, the city's central role has declined, mainly because of subjective reasons having to do with the city. But many delegates said that the Central Committee should review the inappropriate policies that are preventing the city from having favorable conditions so that it can carry out the tasks of a zonal center in the interests of the zone and the entire country.

Some delegates proposed an economic management mechanism that has the strength to exploit the strengths of the key areas in accord with the unified economic structure and that will not hold back the development of the areas. For example, the Council of Ministers has formed an element that is responsible for guiding Nam Bo.

#### 2. On the role of the state economy:

The congress gave special attention to the role and objective requirements of the state economy. With the present management mechanism, it seems as if there is equality among the economic elements. But in reality, there are many state policies and regulations, particularly capital and tax policies, that have created difficulties for the state economic elements. There have been proposals concerning redefining the role of the state economy as follows:

In the transitional period, the state economy should be defined as "tending to play a guiding role" in the economy.

The state economy should play a key (or important) role in the economy.

The state economy should control the key sectors and bases. The state must regulate things and guide the economy so that it develops in a socialist direction.

The majority of the delegates agreed with the third view, because this opens up appropriate directions for solidifying and rebuilding the state economic system. Only if there are fundamental changes in viewpoints and methods will the state economy be able to play its role in the national economy.

3. Of the 468 delegates who expressed views on the issue of land ownership, 356, or 76.67 percent, said that the arable land belongs to all the people but that peasants should be given long-term use rights and that the right of inheritance should be recognized. Only 16 delegates, or 3.42 percent, said that the peasants should be given private ownership rights to the land. Another 96 delegates, or 20.51 percent, said that there should be two

types of land, public land that belongs to all the people and private land that belongs to private individuals.

As for the issue of "labor strength in the production and business sectors in socialism," 349 delegates, or 75.05 percent, defined labor strength as a commodity. Ten delegates, or 2.15 percent, disagreed, saying that labor strength is not a commodity. Another 106 delegates, or 22.80 percent, said that labor strength is both a commodity and not a commodity.

#### **IV. On the Human Strategy and Social, Cultural, and Arts and Letters Policies**

This was an issue that was discussed a lot by the panels (more than 30 percent of the ideas) and in the papers presented at the conference (25 percent of the papers).

Many delegates agreed with the two draft summary reports presented at the congress.

Almost 75 percent of the delegates (345 out of 468) said that there should be a separate section on the "human strategy."

In the human strategy, the root problem is education and training. The difficult economic situation and the poor management standards are the reasons for the decline in education and training. This is true in part, but the main reason is that the higher-echelon leading organizations do not have a deep understanding of the strategic role and position of education and they do not regard education and training as a national stratagem in developing the economy and society, building people, and training people of talent.

A number of delegates said that the seventh congress should reserve a suitable amount of time to discuss and issue resolutions on expanding public health and physical education in accord with the country's situation for the health of the people today and future generations in the 21st Century.

Many delegates said that culture and arts and letters should not be included in the social policy but that these should be given a suitable position in the documents of the Seventh Congress. The position given these should be at least equal to the position given these at the Sixth Congress and in the resolutions of the Politburo. Along with education and training, culture and arts and letters have a direct effect on building the NEW VIETNAMESE MAN, a new stratum of talented people with the qualities mentioned in the draft program, particularly concerning knowledge, behavior, and spirit.

Leadership and management in the cultural and arts spheres must quickly overcome the weaknesses and mistakes that have led to the present alarming decline in the cultural and social situation. Resolute steps must be taken to block and repel the influence of culture and arts and letters that run after money, that have lost their sense of direction, and that are under foreign influence.

#### **V. On National Defense and Security**

Many delegates analyzed the present international situation and the situation in this region. They analyzed the nature and stratagems of the American imperialists and other reactionary forces who want to eliminate socialism throughout the world and divide and oppose the three countries of Vietnam, Laos, and Cambodia in a situation in which the balance of power is shifting in a way that is unfavorable to the revolutionary movement of the peoples of the world. Many delegates said that the seventh congress should reaffirm that the two strategic tasks of building and defending the fatherland must be carried on simultaneously. Even though there are many pressing economic and social problems that must be dealt with, the task of solidifying security and national defense cannot be ignored or slighted.

Some delegates said:

The problem of maintaining security and order and defending the country must be regarded as the task of the entire party and all the people. It is not the task of the armed forces alone. The responsibility of the party committee echelons and local bases must be strengthened in elevating the concept of vigilance and maintaining security and order as a strong basis for defending the fatherland. At the same time, the people's rear area tasks must be carried out steadily.

The state must set aside a suitable amount for the national defense budget and gradually and urgently equip the armed forces (both the military and public security forces), particularly the navy and border defense forces, with modern equipment and weapons.

There must be measures to look after the soldiers in the armed forces and to care for the discharged and demobilized targets and the families of war invalids and war heroes. Many delegates expressed different views about the policy of allowing the armed forces to engage in economic activities to improve their standard of living.

#### **VI. On the Political System**

1. The congress affirmed the correctness of the "party leads, the state manages, and the people serve as masters" mechanism. Realizing that the leadership role of the party is a problem in principle and an objective law of the socialist revolution, concretizing the party-state-people mechanism must be studied in a synchronized and systematic way. A number of delegates mentioned the problem of building a state with jurisdiction with three divisions of powers under the leadership of the party. Some delegates said that the principle of the state dictatorship of the proletariat must be affirmed, that is, the three powers are unified but there is a division of labor and there are independent rules for each organization.

2. As for the system of state organizations, some delegates proposed reforming the system by having only two echelons of state organizations, the state echelon and the

provincial-municipal echelon. The ward, district, sub-ward, and village echelons would perform only administrative management functions. They would not have separate plans or budgets. Or the various echelon administrative organizations can perform administrative management functions on the economic, cultural, social, security, and other fronts based on the laws and legal documents. The function of directly guiding production and business must be separated from the management function of the administrative echelons.

Consolidating and simplifying the state management apparatus has been proposed many times, but little has been done. This has not been done based on investigating and analyzing things in a truly scientific way.

Suitable organizational forms must be developed in order to represent the state in performing the role of owner of the state economic bases.

The key cadres at the administrative echelons must be appointed.

Concerning administrative reform, some ward-level delegates said that the central echelon is moving back to bureaucratic centralism and state subsidies as in the past, which is contrary to the viewpoint on eliminating bureaucratic centralism and state subsidies. This will make it impossible to exploit the creativity and independence of the localities and bases.

### 3. On mass organizations and fronts:

The congress discussed the role of the mass organizations, concentrating on the following themes:

As for the relationship between the party and the mass organizations and social organizations, the independence of the mass organizations in certain activities must be respected. The party must lead the mass organizations mainly through the party and union system in those organizations and through the role of each party member who participates in the activities of the mass organizations and social organizations.

The relationship between the mass organizations and the state is based on equality and coordination of the work. The state must manage the activities of the mass organizations and social organizations through the legal system. There must be laws on the activities of the mass organizations and social organizations. The state can influence these targets by providing help and enabling these organizations to carry on activities using many different measures.

In the coming period, even more attention must be focused on workers, peasants, intellectuals, youths, women, and those preparing to enter life.

The problem of national solidarity, concord, and reconciliation, which includes the class, ethnic minority, and religious problems, and the problem of the relationship between the generations were not discussed in depth even though these are very important problems that have

been mentioned in the program and in the resolution of the 8th Plenum, 6th Term, of the CPV [Communist Party of Vietnam] Central Committee. National solidarity is both an immediate and long-term political task.

### 4. Problems concerning building the party and revising the party statutes:

a. On the class nature of the party: The congress unanimously agreed that the working class nature of the party must be affirmed. This must not be avoided or slighted as some people observed with respect to the draft documents of the seventh congress. It must be clear that the Communist Party of Vietnam is the party of the Vietnamese working class (or the party of the Vietnamese working class and laborers). But the important point that must be clarified is that this working class nature must be understood correctly in a revolutionary and scientific way. This is both a theoretical and very current problem that has not been discussed in depth in the draft report on party building or in the revised party statutes.

Today, the workers have been "intellectualized." They are intellectual workers who are playing a vanguard role in history. This must be understood. At the same time, people must abandon the idea that in a time of rapid scientific and technical development, the historical mission of the working class has come to an end and that, because of this, the leadership role of the communist party is now meaningless. The task of the party is to build and expand the Vietnamese working class so that it becomes a strong political force that, together with the peasants and intellectuals, provides a foundation for a socialist society under the leadership of the CPV.

### b. On the leadership apparatus of the party:

Almost all of the delegates agreed that the leadership apparatus of the party must be simplified by having streamlined elements of high quality. Activities must be carried on by having specialists help the leadership committees on the administrative, mass organization, and party building fronts.

### c. On party members engaging in private economic activities as this relates to keeping or doing away with the words "do not exploit" in Article 1 of the draft Party Statutes:

The congress expressed the following attitude: Of the 471 delegates who voiced an opinion, 73, or 15.5 percent, proposed keeping the words "do not exploit" as in the draft; 143, or 30.36 percent, proposed eliminating this phrase and said that the phrase "have labor" was sufficient; and 255, or 54.14 percent, proposed keeping this phrase but explaining the concept of exploitation more clearly and stipulating that party members may engage in private economic activities on a certain scale.

### d. On democracy in the party:

There were two different opinions. The majority at the congress acknowledged that the atmosphere of democracy in the party is greater than before. But some

delegates said that there must be even greater democracy, because the fact is, much information does not reach party members. In particular, in the organizational and human affairs spheres, things are still done in the old way, and there is a lack of openness. Some comrades wrote papers stating that only if there is democracy in the party will it be possible to implement democracy in society.

The congress expressed concern about the decline in the quality of the party, but measures to solidify and purify the party have not been discussed in depth and practical and effective measures have not been put forth. Some delegates proposed having key-point inspections in the party and expelling those party members who have committed violations or failed to fulfill their responsibilities regardless of the level they are at.

e. On a number of points in the (revised) draft party statutes: The congress expressed the following concrete views:

Of the 467 delegates who voiced an opinion on the matter of electing a general secretary, secretaries, and members of the various echelon control committees, 245, or 52.46 percent, agreed with the (revised) draft statutes, which call for the CPV Central Committee to elect the general secretary and the members of the central control committee and for the executive committees of the various echelon party organizations to elect their own secretaries and control committee members. Another 161 delegates, or 34.48 percent, said that the national party congress should directly elect the general secretary and the members of the Central Control Committee and that the various echelon congresses should elect the various echelon secretaries and control committees. Another 61 delegates, or 13.06 percent, said that the national party congress should elect the general secretary the central control committee but that the executive committees of the lower-echelon party organizations should elect their own secretaries and control committees.

Some delegates proposed adding another deputy general secretary.

Concerning discipline, many delegates said that expulsion from the party should be restored as a form of discipline.

As for party member tasks, more international tasks should be recorded.

On having party committee members serve as congressional delegates at their echelon: Of the 472 delegates who voiced an opinion, 176, or 37.29 percent, agreed with the draft and said that party committee members who hold a position can obviously serve as regular delegates at their echelon's congress; 296 delegates, or 62.11 percent, said that each committee member must be elected to serve as a delegate at their echelon's congress (as stated in the old statutes). At the same time, some delegates said that higher echelon committees

should be allowed to recommend cadres for election at lower-echelon congress as was done in the past.

On the term of office of those at the ward, district, and equivalent echelons, the majority (62.13 percent) of the delegates approved of a five-year term of office.

The delegates elected by the congress to attend the seventh national party congress will continue to concentrate on studying and formulating papers of theoretical and practical importance to the city so that together with the delegates from around the country they can contribute to formulating the documents of the Seventh Congress. At the same time, this is effective preparation for the 2d Round of the Municipal Party Organization Congress.

#### **List of Municipal Party Organization Delegates Who Will Attend the Seventh National Party Congress**

##### **Central echelon delegates elected by the Municipal Party Organization**

1. Vo Van Kiet, member of the Politburo and first vice chairman of the Council of Ministers.
2. Tran Hong Quan, alternate member of the CPV Central Committee and minister of education and training.
3. Phan Van Khai (Sau Khai), member of the CPV Central Committee and chairman of the State Planning Commission.
4. Truong My Hoa, member of the CPV Central Committee and vice president of the Vietnam Women's Union.
5. Lu Minh Chau, member of the CPV Central Committee and vice chairman of the State Commission on Cooperation and Investment.

##### **Delegates belonging to the Municipal Party Organization**

6. Vo Tran Chi, member of the CPV Central Committee and secretary of the Ho Chi Minh City CPV Committee.
7. Nguyen Vinh Nghiep (Sau Tuong), member of the Standing Committee of the Municipal CPV Committee and chairman of the Ho Chi Minh City People's Committee.
8. Le Khac Binh, member of the Standing Committee of the Municipal CPV Committee and chairman of the Ho Chi Minh City People's Council.
9. Ca Le Thuan, member of the Municipal CPV Committee, deputy head of the Department of Culture and Propaganda of the Central Echelon, and head of the Cultural and Arts and Letters Department of the Municipal CPV Committee.

10. Maj Gen Nguyen Rang, member of the Standing Committee of the Municipal CPV Committee and commander of Military Committee of Ho Chi Minh City.
11. Nguyen Huu Khuong, member of the Municipal CPV Committee and acting director of the Ho Chi Minh City Public Security Force.
12. Nguyen Van Hanh (Tam Dan), member of the Standing Committee of the Municipal CPV Committee and head of the Mass Agitation Department of the Municipal CPV Committee.
13. Nguyen Ngoc An, member of the Standing Committee of the Municipal CPV Committee and head of the Economics Department of the Municipal CPV Committee.
14. Duong Dinh Thao, member of the Standing Committee of the Municipal CPV Committee and head of the Department of Propaganda and Training of the Municipal CPV Committee.
15. Truong Tan Sang, member of the Standing Committee of the Municipal CPV Committee and director of the Municipal Agricultural Service.
16. Doan Le Huong, president of the Municipal Women's Federation.
17. Pham Van Hung (Ba Hung), member of the Standing Committee of the Municipal CPV Committee and head of the Organization Department of the Municipal CPV Committee.
18. Vo Van Cuong (Nam Cuong), member of the Standing Committee of the Municipal CPV Committee and secretary of the Cu Chi District CPV Committee.
19. Senior Lt Gen Tran Van Tra, retired cadre, president of the Ho Chi Minh City Veterans' Association.
20. Duong Quang Trung (Tu Trung), member of the Municipal CPV Committee and director of the Ho Chi Minh City Public Health Service.
21. Hoang Anh Tuan, professor and chairman of the Ho Chi Minh City Science and Technology Committee.
22. Pham Van Binh, alternate member of the CPV Central Committee and deputy director of Electrical Power Corporation 2.
23. Hoang Thi Khanh, member of the Municipal CPV Committee and president of the Ho Chi Minh City Labor Federation.
24. Pham Ngoc Bi (Hai Bi), member of the Municipal CPV Committee and vice chairman of the Control Committee of the Municipal CPV Committee.
25. Vuong Huu Nhon, member of the Municipal CPV Committee and vice chairman of the Ho Chi Minh City People's Committee.
26. Do Ngoc Trinh (Bay Ha), member of the Municipal CPV Committee and secretary of the Precinct 1 CPV Committee.
27. Ly Hoa, secretary of the Ministry of Education and Training Party Committee.
28. Pham Quang Du, professor and director of the Petrochemical Refinery Institute.
29. Le Van Nam, member of the Municipal CPV Committee and director of the Ho Chi Minh City Building Service.
30. Nguyen Van Anh, member of the Municipal CPV Committee and director of the Ho Chi Minh City Industrial Service.
31. Huynh Thi Nhan, deputy secretary of the District CPV Committee and chairman of the Hoc Mon District People's Committee.
32. Duong Minh Ho (Tam Ho), member of the Municipal CPV Committee and secretary of the Duyen Hai District CPV Committee.
33. Le Thi Van, member of the Municipal CPV Committee, deputy secretary of the Tan Binh Ward CPV Committee and chairman of the Tan Binh Ward People's Committee.
34. Doan Van Khuy (Sau Khuy), member of the Municipal CPV Committee and secretary of the Precinct 11 CPV Committee.
35. Le Thanh Hai (Hai Nhut), member of the Municipal CPV Committee and secretary of the Precinct 5 CPV Committee.
36. Pham Chanh Truc (Nam Nghi), member of the Standing Committee of the Municipal CPV Committee and vice chairman of the Ho Chi Minh City People's Committee.
37. Le Van Nuoi, member of the Municipal CPV Committee and member of the Ho Chi Minh City Ho Chi Minh Communist Youth Union.
38. Le Quang Nhuong (Muoi Rua), party member with the Commercial Service and director of the VISSAN Corporation.
39. Ho Thi Thien, member of the Municipal CPV Committee and director of the Nguyen Van Cu Party School.
40. Phan Thanh Vien (Vien Phuong), vice president of the Ho Chi Minh City Arts and Letters Association.
41. Dang Huu Ngoc, member of the Municipal CPV Committee and director of the Ho Chi Minh City Economics Institute.
42. Duong Quang Dong (Nam Dong), retired cadre and director of the Ho Chi Minh City Retirees Club.

43. Ha Thi Hong Van, vice president of the Ho Chi Minh City Peasants' Association.

44. Duong Minh Anh Lan, deputy secretary of the Production Installation Party Committee, Ministry of Light Industry, and deputy general-director of the Textile Production and Import-Export Federation.

#### Alternate Delegates

1. Trang Si Liem, alternate member of the Municipal CPV Committee and director of the Ho Chi Minh City Industrial-Commercial Bank.

2. Ha Tang, party committee member with the Foreign Economics Bloc and deputy director of the Cau Tre Enterprise.

3. Nguyen Van Chi, party committee secretary and director of the Labor, War Invalids, and Social Affairs Service.

4. Nguyen Van Ty, grade 7/7 welder, labor hero, and director of Construction and Installation Enterprise 4 (subordinate to the Construction and Installation Federation, Ministry of Agriculture and Food).

#### Reportage on Ho Chi Minh City Party Congress

912E0190A Ho Chi Minh City SAIGON GIAI PHONG  
in Vietnamese 8 May 91 pp 1, 2

[Article by Tran Loc]

[Text] After three and one-half days of work, at noon on 7 May 1991, the first round of the fifth congress of municipal party organization delegates completed the round one tasks of the congress. In an atmosphere of democracy, the delegates worked with a spirit of frankness. They sought ideas and had a lofty concept of responsibility to the party and people in contributing ideas to the draft documents and in selecting delegates to attend the National Party Congress. More than 200 people expressed their ideas during panel discussions, 19 papers were presented at conferences, and more than 40 papers were sent to the presiding officers. These contributed many ideas to the seventh congress draft documents concerning the present situation, the success of the Vietnamese revolution, the leadership of the party, the targets of the Vietnamese revolution, various problems, solutions directed toward a human strategy, the economic, social, security and national defense, cultural, arts and letters, and educational spheres, party building, and mass work. The delegates had different views on a number of problems such as land ownership rights and land use rights, the issue of whether labor is a commodity, the issue of whether party members should be allowed to engage in private economic activities, and the matter of including the words "do not exploit" in the party statutes. These issues will be considered by the national congress. On the basic question of what the target of the Vietnamese revolution is, the delegates affirmed that the target is socialism as chosen by the

party and President Ho. This is the correct path. This is in accord with the laws of the Vietnamese revolution and the nature of the age. The delegates said that in carrying on renovation, the party has scored very important initial achievements. They affirmed that the party's renovation line is correct. The delegates displayed an attitude of opposing pluralism and multiparties. Formulating and disclosing the party's program is essential, because this will satisfy the requirements of our country's revolution and of the international situation. The congress proposed that the program clearly affirm the working class nature of the party.

On behalf of presiding officers, Duong Dinh Thao presented a draft summary of the problems discussed at the municipal party organization congress in order to contribute ideas to the draft documents of the seventh congress. The summary was adopted by the congress.

The congress elected a delegation from the party organization to attend the seventh national congress. The delegation includes 44 regular delegates and five Central Committee delegates elected by the municipal party organization. Vo Van Kiet received the largest percentage of votes with 98.7 percent. After that came Vo Tran Chi with 98.09 percent and Nguyen Vinh Nghiep (Sau Trong) with 95.5 percent. The congress voted once and elected a sufficient number of regular delegates. Two votes had to be taken for alternate delegates. Four were chosen, which is one short.

On behalf of the municipal delegation that will attend the national party congress, Vo Tran Chi, a member of the party Central Committee and secretary of the Municipal CPV [Communist Party of Vietnam] Committee, promised the congress that he would do his utmost to fulfill the responsibilities entrusted to him by the congress. He said that the first task of the delegation is to study and reorganize the ideas contributed by the delegates at the municipal party organization congress and assign each group of delegates the task of preparing drafts on the issues that the delegation will raise at the national congress.

Addressing the congress, on behalf of the Central Committee members who were elected at the congress, Vo Van Kiet, a member of the Politburo and the first vice chairman of the Council of Ministers, thanked the delegates for their trust in electing them as members of the municipal party organization delegation. He spoke to the congress about the present international situation as it relates to the path of the Vietnamese revolution. The world situation is undergoing complex changes. The American imperialists are trying to arrange a new world order beneficial to them. Today, the United States is shifting its antirevolutionary spearhead to Southeast Asia, at the center of which are Vietnam and the three countries of Indochina. The American imperialists are still hostile to Vietnam and to socialism. The American imperialists are using ever means possible and every reactionary organization to destabilize our country in an attempt to bring about "peaceful changes." And they are



using other means. We support the policy of shifting from "antagonism" to "dialogue" in our relationship with other countries, increasing the number of friends and reducing the number of enemies, expanding our international relationships, and working together with other countries based on mutual interests. But for the sovereignty and independence of our country, we cannot slight the task of defending the fatherland. Thus, regardless of the situation, we cannot be vague. The important thing is that we must continue to renovate and strive to maintain political and economic stability.

In mentioning the problems related to the seventh party congress, Vo Van Kiet analyzed a number of issues concerning the party, the name of the party and country, and the class nature of the party. He said that in the world today, there are very few countries that do not have a ruling party. Even though there may be many parties in a country, there is only one party in power, and every party has its own class nature. The class nature of a party is closely related to the national character. If there are classes, there is a class dictatorship. Every country has a dictatorship, an absolute dictatorship. The question is, Whose dictatorship and what type of dictatorship? If our party makes a mistake, it resolutely corrects that mistake. Those things that have prevented our people from prospering and kept our country from becoming strong must be corrected. But we cannot follow the multiparty path. We are proud of our party's name—the Communist Party of Vietnam—and of our country's name—the Socialist Republic of Vietnam.

On behalf of the presiding officers, Nguyen Vo Danh, the deputy secretary of the Standing Committee of the Municipal CPV Committee, concluded the congress. He told the delegates and the people of the city that the delegates had completed the two tasks given to the first round of the fifth congress of municipal party organization delegates (see the entire text printed in this issue).

### **Hanoi Workers Give Opinions on Party Report**

912E0183A Hanoi NHAN DAN in Vietnamese  
29 Apr 91 p 3

[Article by Duc Luong and Nguyen Thanh Van: "Capital's Workers Contribute Opinions On Political Report"]

[Text] To solicit broad contributions by all strata of people toward important party documents, the Hanoi Labor Federation recently held a meeting to study and exchange opinions about the draft political report of the seventh party congress.

This was the third time within a short period that the Municipal Labor Federation created the favorable conditions for the capital's workers to directly express their sentiments and aspirations to the party. More than 30 delegates, including professors, PhDs, MAs, doctors, scientific research cadres, instructors, managers, artists, and high-level workers attended. Comrade Pham The Duyet, secretary of the party Central Committee and secretary of the Hanoi municipal party committee, and

comrade Nguyen Hong Quan, chairman of the Hanoi Labor Federation, came to personally listen to the delegates' opinions. Representatives of a number of departments of the municipal party committee and the Municipal Labor Federation also attended. That demonstrated the serious way in which opinions contributed to the party by the people are received.

Regarding the report's theme, some did not approve of the first page of that important document. Comrade Nguyen Hoai, a historical research cadre and chairman of the trade union of the Vietnam Information Social Science Institute, expressed the opinion that the political report of the seventh party congress is "too general and says nothing, but is still a formula." According to him, the sixth party congress began a turning point for renovation. The seventh party congress will continue that undertaking. The report's theme must include the contents and goals of the party congress, and thereby serve ideological work among the party and people. He recommended that the political report be titled, "Continue Renovation, Build a Rich and Strong Nation, and Advance to Socialism." In this way the intent of the party and will of the people would be clearly manifested in the document of the party congress. With sincerity and a sense of responsibility, he stated that although he had read the draft political report many times, he still felt that it was deficient. Why? Because the party's report on the renovation work was not placed in the context of the past four years. The resolution of the sixth party congress was like a "social liberation resolution," but was carried out in extremely difficult circumstances because of the effects of the international and domestic situations. If the renovation work is not presented in those terms, its profound significance will not be clear. It must be said that all citizens of Hanoi during the past several years have had easier lives, both materially and in terms of morale, and "those who criticize or are negative are extremists who act counter to the wishes of the people."

Agreeing with that formulation and argumentation of the problem, Prof. Ngo Quoc Quynh of Hanoi University stated that the draft Political Report evaluates the implementation of renovation rather fully. Such an evaluation is fitting. The positive aspects are still basic. The economy has thrived, democracy has been expanded, and the people's living standards have been raised. Comrade Vu Uyen Dinh, an MA and female cadre who teaches at the Construction College, summarized the accomplishments of the past four years: eliminating subsidies, slowing the inflation rate, setting forth correct lines for agricultural production and foreign trade, opening the way for liberated production capabilities, and improving living conditions. "Compared to many countries it is a correct orientation. A correct orientation brings about political stability. In Vietnam, only the Communist party of Vietnam can achieve that."

Criticizing some people who want to deny the leadership role of the party, demand pluralism and extreme democracy, and seek ways to oppose the regime, comrade

Nguyen Duy Son, chairman of the faculty of Agricultural College 1, recommended that on the occasion of the Seventh Party Congress, mass propaganda organs focus on the image of Uncle Ho and the merit of his party toward the nation. In addition, it is necessary to say a good deal about the Truong Son cemetery and the nameless graves. Only those who have gone before and sacrificed for the present are worthy of speaking about the future, certainly not the voices of the small number of pushy people who want to change our line and course.

The common voice of the exchange of opinions among the capital's workers that day—both white-collar and blue—affirmed the accomplishments of renovation and the efforts of the party during the past 4 years, thereby affirming the leadership of the party and rejecting all pluralistic, multi-party schemes.

In offering opinions on the future course, measures, and policies as seen from their professions, delegates attending the meeting sincerely expressed to the party, state, and the Hanoi party committee and city leaders in particular, their worries, personal thoughts, and aspirations. Prof. Le Quoc Quynh expressed concern about education. In recent years the tendency to pursue degrees has become increasingly pronounced, not only among students and parents, but even among cadres and the leadership. College and secondary school students not only study half-heartedly but only have the goal of getting a diploma, regardless of whether or not it is legitimate. The evaluation and assignment of cadres depends above all on degrees. This situation has caused some capable cadres to become unwilling to research topics to serve production, and are only concerned with carrying out dissertation topics, although they know those topics have little practical use.

Dealing with the problems of creating additional jobs for workers and greatly reducing the rate of population increase brought out in the draft report, Prof. Nguyen Lan Dung said, "One should not confuse jobs with state employment. It is the present situation of pretend work, of many people sitting in the wrong places, that has upset the labor market. Many young people are capable but do not have opportunities, while many untalented people occupy many positions and cannot be replaced. The state should quickly draft a labor law and distribute labor cards to everyone. Everyone should work wherever they wish, provided that they are hired openly and democratically, and everyone must find jobs by themselves that are suited to their talents and abilities. Only when people endeavor to have jobs of increasingly greater quality can society progress. Only then can salaries be increased appropriately because "at present salaries are too low for people who do a good job but too high for people who are lazy and ineffective." In addition to providing jobs, it is necessary to take strong steps to reduce the rate of population increase.

Vuong Thi Quynh of the Thang Long Knitting Mill, strongly agreed with Prof. Nguyen Lan Dung and added that workers now have only two aspirations: sufficient

jobs and living wages. We have many ways to resolve those two problems. It is only necessary for the state and relevant sectors to have correct policies and few intermediate layers, which cause trouble for the production units. Regarding her mill, if the state permits direct business relations with foreign countries, it could do business more conveniently and effectively.

In addition to the opinions expressed about the party's political report, nearly all of the delegates at the meeting described to the municipal party committee and the Hanoi Municipal People's Committee the general situation—the good and the bad—of the capital, and expressed hope that the congress and the Hanoi party organization would discuss them and make them part of its agenda. The delegates affirmed the capital's accomplishments in renovation and acknowledged many things Hanoi has done to develop the economy, expand circulation, and maintain political security for the central headquarters and the nation as a whole. Everyone is worried about providing jobs for workers, the confused situation in organization and management in the capital, law and order in the streets and residential areas, moral degradation, failure to do a good job of implementing social policies, unnecessary complications that a number of sectors and organs have caused for the people, and "the way public security forces, police, and control units search many pedestrians but ignore many negative phenomena on the streets."

Most of the delegates to the meeting were not party members, but they shared a concern about party organization and the party building task. One delegate said, "Although I am outside the party, I acknowledge its leadership and realize that in the present situation, there is no political force other than the Communist Party that can shoulder the responsibility of leading the nation. For our country, pluralism and having multiple parties can only result in chaos, which is something the enemies of our country desire very much. But I hope that the party renovates itself so that it can retain its role and the confidence of the people."

Many delegates thought that the party's leadership has been affirmed but in order to fulfill that responsibility, it must also have intelligence and be stronger. If the party wants to be strong, it must first of all be pure and the party members must be truly exemplary. Party members, no matter what their positions, must be equal before the law. The party has lost prestige in the past because it has not dealt strictly with party members in positions of authority who had violated the law. Comrade Ngo Quynh Giao, director of the Central Opera and Dance Department, said frankly, "After many years of following the party, some artists have at present lost confidence. The feelings of those whose belief has weakened are much more painful than those who have not believed. In other words, for a long period of time, we had absolute belief in the party. I feel that if the party can recover that belief, it will be able to mobilize the great strength of the entire nation. The draft political report says nothing about that point."

Vu Thu Dung, an instructor at the National Economics College, Dr. Dang Van Loan, and Pham Dang Ke made the same recommendation: it is necessary to clarify the leadership function of the party and management function of the state. The party leads by means of lines and policies, not by specific individuals who do the work of the state. Thus is the present overly cumbersome apparatus of the party necessary? Should the party have a corresponding component for every state organ?

The party appeals for a streamlining of the apparatus and it is the apparatus that should be streamlined first. Furthermore, if the party is strong, it is not necessary that its ranks be large. People who enter the party must be exemplary, not only in terms of their determination, but also in terms of knowledge and ability to act.

The common desires and sentiments of the meeting that day, whether expressed in words or on paper, are that all citizens, cadres, and party members living in the city must do something beneficial to celebrate the party congress.

## MILITARY

### Developments in Economy, National Defense

912E0184A Hanoi TAP CHI QUOC PHONG TOAN DAN in Vietnamese Feb 91 pp 46-49, 30

[Article by Nguyen Ha Phan, member of the CPV [Communist Party of Vietnam] Central Committee, Deputy Secretary of the Provincial Party Committee, and Chairman of the People's Committee of Hau Giang Province: "Important Economic and National Defense Developments in Hau Giang"]

[Text] Hau Giang Province, situated in the center of the Mekong Delta, has rather flat terrain, a thick layer of alluvium in the fresh water and salt water areas, a dense network of rivers and canals, a seacoast 72 kilometers long, and a moderate tropical climate. Those conditions are favorable for the development of agriculture, fishing, industry, small industry and handicrafts, and transportation, by both water and land. In the province the municipality of Can Tho has begun to have the typical economic and cultural features of the western Nam Bo region. Nearly half of the province's population of 2.7 million are workers.

Those characteristics show that Hau Giang Province has great potential in many respects.

During the past 15 years, since the day of complete victory, although they have had to experience very severe challenges due to natural disasters and destruction by the enemy, and bore the consequences of many years of warfare in which the former provinces of Can Tho and Soc Trang were key battlefields and had always had a monoculture, dispersed agricultural economy, the party organization and people in the province have made outstanding efforts, manifested a resolute revolutionary

tradition, emphasized a spirit of self-reliance, and resolutely overcome difficulties in order to advance, and have achieved a number of important accomplishments in developing the economy, building national defense, and fulfilling their international duty.

As regards the economy, the province has developed agricultural production, in which the development of rice growing is the key goal and has achieved the best results. By the end of 1990 the rice area had increased by 86,000 hectares over 1976; the average annual rice yield per hectare increased from 2.19 tons in 1976 to 3.75 hectares in 1990; and in 1990 the grain output was 1,000,700 tons, double that of 1976. Local industry has developed a step further: in 1990 the total value of industrial production was 4.5 times greater than in 1976. Export goods developed notably: in 1976 there were practically none but in 1990 their production amounted to \$60.32 million, a profit of about 5 percent. The province has gradually built a system of general schools, a public health network, and cultural-social installations in all wards and villages, and has met a notable part of the people's education, medical care, and culture-art needs. The people's living standards and the face of the countryside have gradually improved. With regard to science and technology, the central echelon and the province built a training center for college-level economic and technical cadres. Thousands of young cadres have graduated and have been assigned to the economic and technical sectors in the province.

Another important transformation during the past 15 years is that the province has done a rather good job of fulfilling its national defense and security responsibilities. In addition to the developing increasingly larger numbers of economic-national defense projects, the province has a system of organizing security and military forces in the necessary ratio to the population, with attention to quality, which operate in accordance with the policy adopted by the upper echelon. Hau Giang has a large maritime area, a long seacoast, and a complicated religious situation, the Khmer and Chinese ethnic groups are large, and hundreds of thousands of puppet troops and officials disbanded in the province and the enemy have often taken advantage of them to carry out sabotage activities. But all over the province political security, order, and social safety have still been maintained essentially well and no notable political incidents, such as rebellions or large opposition demonstrations, have been allowed to happen. During the 15 years the province has continually attained and surpassed its troop recruitment norms and fulfilled well the international mission in Cambodia assigned by the Military Region.

Exemplary of the popular national defense movement in the province, many sectors, units, and localities have been awarded Military Merit or Labor medals, such as Group 9902, which helped Kompong Chhnang Province in Cambodia and the provincial pharmaceutical enterprise federation. Especially, some units have been designated Hero units. For example, the Tay Do battalion was awarded its second Hero of the Armed Forces medal,

and the Song Hau state farm and the 19-5 production collective were named Labor Hero units. The state awarded Hau Giang Province a First-Class Independence Medal.

Those revolutionary accomplishments were due essentially to the province's party organization, army, and people always being unified and unanimous, maintaining and developing the tradition of assiduous labor, brave combat, and being loyal to the ideals of independence and autonomy—bound together with socialism—which were delineated and guided by the Party and Uncle Ho.

With regard to leadership and social management, in general the executive committee of the provincial party organization and the Ha Giang people's committee, on the basis of the actual situation, has adopted appropriate policies, and thoroughly understood and applied the lines of the party in the locality. The most outstanding aspects have been that the province has had a correct economic development policy to gradually build an appropriate agricultural-fishing-industrial economic structure, the central concern of which is investing in developing grain crops, and gradually advancing local industry while building national defense of all the people in balance with the economic development mission.

Therefore, in 1990 for the first time Ha Giang Province attained 1.7 million tons of rice. The total export index was higher than imports. Therefore, in addition to budget expenditures and payments to the central echelon, at times it also helped its sister province Kompong Chhnang, took care of the army's rear-area policies, and developed culture and education. According to a notice of the Ministry of Finance the province ranked high in making payments to the central budget.

With regard to national defense and security, the provincial party committee and people's committee every year have issued resolutions and specific directives and paid attention to such key areas as Long Phu, Vinh Chau, Thot Not, O Mon, Can Tho, and Soc Trang, and created such "all the people do security and national defense work" units as the municipality of Can Tho and Chau Thanh District, or models of combining economics with national defense, such as the city of Soc Trang and Long Phu District.

After the issuance of Political Bureau Resolution 02, the provincial party committee issued a specialized resolution on strengthening the leadership of the party organization echelons vis-a-vis security and national defense, and guiding the organization of a security and national defense leadership apparatus in accordance with the new mechanism. The provincial people's council and people's committees issued decisions intended to codify the Party's resolution. During the past two years the province has completed the creation of a provincial military party committee and military party affairs sections at the district and basic levels. All comrades in charge of planning at all levels are also members of the military

party committee and the military party affairs sections and are responsible for coordinating in social management after shifting over to wartime. When necessary meetings are held and the chairman of the people's committee is invited to participate. The province stipulated a system of annual universal political and military education for the people, youths, and students in order to raise the level of revolutionary consciousness among the population, distinguish clearly between us and the enemy, and always be vigilant in order to take the initiative in coping with enemy plots. Especially, since the end of 1989 that work has received special attention. The province has also set aside an appropriate part of the budget to supplement security and national defense. With training and guidance by the Ministry of National Defense, the province also provided unified guidance in drafting plans A and B and forming economy-national defense zones, according to the local characteristics and with a unified command committee, and carried out phase-by-phase maneuvers according to the zone defensive combat plans. The militia, self-defense, and mobilized reserved forces, as well as the people's security network at the local level, have been and are being consolidated and developed in accordance with the new requirements.

As for the results of the above-mentioned codification, in 1989 and 1990, in addition to launching a movement for all the people to fulfill the security and national defense missions the province also did a better job of implementing the Army's rear-area policy. In 1990 it constructed more than 400 houses and cared for the families covered by the policy. The province successfully began to carry out Directive 135 of the Council of Ministers, rounded up criminal gangs and smugglers on land and at sea, dealt with and reformed social evils, eliminated decadent cultural works, essentially brought about political and security stability all over the province, especially in the municipality of Can Tho and the city of Soc Trang, and further bolstered the people's belief in the revolutionary regime.

During the past 15 years Ha Giang Province has attained important results in its two strategic missions. Although it has made errors and missteps, essentially the party organization is still close to the people and the working people unanimously follow the party and actively participate in building the governmental administration. The foundation of the revolutionary regime has been formed and defended more and more strongly.

The most important experience lesson in Ha Giang learned by the provincial party committee, people's council, and people's committee has been that on the basis of affirming the viewpoint of making the people the foundation and firmly grasping the two strategic missions it is necessary always to carry out correctly the policy of combining economics with national defense, oriented toward the goals of developing the local potential, being concerned with social management, and

improving the lives of the masses locally and nationwide. That is a factor ensuring that all challenges can be overcome.

After 15 years, there are still many things Ha Giang has not been able to accomplish. It has not yet exploited its rich potential to advance the province to a position of wealth and strength. Social democracy does not yet correspond to the goals and nature of a new regime. Bureaucratism in the state apparatus has not been completely overcome and many new negative phenomena have arisen in economic and social management. Although the people's living conditions have improved they are not yet satisfactory. Some degenerate party members and cadres violate the people's rights, which is contrary to revolutionary virtue and weakens the masses' belief. That is also why the province has been slow in strengthening security and national defense.

During the past three years, in the party's renovation tendency Ha Giang has undergone many good changes but has not solidly met the requirements.

In view of the present situation of the nation and the new political changes in the world, especially the serious crises in the socialist countries in eastern Europe, the Ha Giang provincial party committee and people's committee realize that now more than ever it is necessary to strengthen the economy and national defense in the locality, accelerate the rate of renovation, and rapidly overcome the remaining problems and deficiencies in order to make even more progress. All party members, people, and soldiers in Ha Giang affirm that the path to socialism selected by the party and Uncle Ho is immutable. The people of Ha Giang have also affirmed united belief and that they will act in accordance with the correct revolutionary line led by the CPV [Communist Party of Vietnam]. The party organizations and governmental administrations at all levels in the province are endeavoring to manifest a sense of responsibility toward the people and apply the Party line more creatively, with appropriate renovation stands and policies to further economic and national defense development and enable Ha Giang to attain economic, cultural, social, and national defense development goals that are worthy of the desires, confidence, and love of the nation's people.

From the angle of a locality in western Nam Bo, the Ha Giang provincial party committee and people's committee recommend that the Party, the state, and the Ministry of National Defense promptly supplement and amend the system of economic and national defense policies in order to advance the two strategic missions to attain results more quickly; that there be measures and policies to build up the military and public security forces to strengthen security and national defense and serve as the backbone for the enterprise of building and defending the fatherland; and set aside a suitable portion of the budget for national defense and security during the next few years. With regard to policies and regulations, funds earmarked for security and national defense in the locality, and the army's rear-area policy also must be

renovated by the state to advance the building of national defense by all the people and quickly, strongly, and comprehensively meet the requirements in all basic units, especially the key areas, take the initiative in coping with the plots of the enemy, and preserve all accomplishments of the revolution.

### **Prospects for Economic Construction by Armed Forces**

*912E0185A Hanoi TAP CHI QUOC PHONG TOAN DAN in Vietnamese Feb 91 pp 86-88*

[Article by Lieutenant Colonel Nguyen Van Man]

[Text] The military has a long tradition of participating in economic construction, and today it continues to develop and contribute to building the country. Through many years of operations, these forces have developed greatly. The forces have become more and more stable, and the management mechanism has been perfected. The tasks have become more concentrated and specific. The military is like an entity that operates in the country's economic sectors and spheres.

That is the issue today. But by the year 2000, will the military's forces that are engaged in economic activities still exist?

By the year 2000, with the main targets and tasks stipulated in the Strategy on Economic and Social Stabilization and Development, our country will have made an important shift. It will be able to move ahead and move beyond the limits of a poor country. At that time, society's affection for its soldiers will have increased. But as for satisfying the needs of a regular army in a relatively adequate manner and maintaining the standard of living of the cadres and soldiers, we definitely won't be able to achieve everything that we would like. In the 10 years left, the policies, measures, and achievements of the years of victory will not enable us to solve all the problems. The budget for military and national defense tasks is very large. From now until the year 2000 and beyond, the army will have many tasks that will require large amounts of money and materials. The military can't rely on the state for everything but must itself make an effort to improve living conditions and increase its budget with the aim of strengthening and maintaining the strength of the armed forces and participating in building the country. In this sense, not only will there be defense industry enterprises that are engaged in economic activities and that are tied to the new mechanism but there will also be a large military force that participates directly in building the economy.

On the other hand, during the past period, a number of reports and summaries and many people have said that in a number of strategic areas in remote mountainous and border areas, on islands, and in areas where the enemy frequently stirs up trouble and where order and security are unstable, wherever the military has economic construction forces, the situation is usually much better. These forces have contributed greatly to the

formation of new population zones, and an infrastructure has been built and solidified. Troops have even done some of the work of the local authorities (before the primary level administrative organizations have reached those areas). They have, for example, served as village chairmen in newly established villages, opened child-care centers, schools, and hospitals, built meeting halls and movie theaters, and so on. A number of the army's specialized economic construction units have much advanced equipment and many management and scientific and technical cadres. These units have the capability to construct complex and modern projects. They are no in way inferior to the construction units of the central echelon and localities. Moreover, they even have an advantage in that they have firm leadership and organization and strict discipline, and they can go anywhere regardless of how remote or difficult the area, areas where it would be difficult for central and local economic units to go. A number of scientific research institutes of the Ministry of Defense have quite a large amount of specialized and modern equipment and excellent scientific cadres. They can conduct good studies in the military sphere and apply the scientific advances and scientific subjects in life and economic construction.

Looking at these capabilities, we can see that in the year 2000, the military's economic construction forces will still be able to make notable contributions in building the country.

But this does not mean that simply sending troops to strategic areas and putting them in a number of economic sectors will make it possible to immediately score the achievements and results desired. Clearly, in order to complete the tasks assigned, they must overcome many difficulties with an exceptional sense of responsibility. Thus, here, I want to say that when the state (in strategy) talks about military forces building the economy, along with the requirements concerning responsibility and task allocation, the state must have suitable mechanisms, measures, and organizations and take steps to enable the armed forces participating in economic construction to complete their tasks.

As President Ho taught, our army is a combat, work, and production army. Thus, the productive labor of the troops has become a tradition of our armed forces. This is a very special characteristic (and even the nature) of our army that fully manifests the meaning of the term "people's Army" and "Army of the people." Our Army is different from a number of other Armies, whose only task is combat.

In renovating the economy and new mechanism, when talking about the productive labor of the military, this must no longer be understood based on the concept of doing more and winning and state subsidies as in previous decades. Rather, this must be related to commercial production, economic accounting, and the commodity and market mechanism.

As for maintaining combat readiness, if war does break out, a number of military forces engaged in economic construction such as the forces that are building roads and bridges, airports, and ports, the machine and electronic factories and enterprises, and the research institutes can quickly switch over to providing combat support and engage in combat. In peacetime, these forces can carry on economic activities in order to improve their professional capabilities, maintain the forces, and protect the locations. This is a measure for maintaining and improving their long-term combat readiness capabilities in accord with Vietnam's conditions. This is also a creative manifestation of the party's viewpoint of the entire army defending the fatherland and building the country. This is a lofty manifestation of the spirit of independence and self-reliance and of the struggle to improve the integrated quality of the armed forces and defend our socialist fatherland.

Clearly, in the year 2000, the Armed Forces participating in economic construction will still bear very heavy responsibilities. Part 3 (major) is on economic structure, and there is a chapter on the economic sectors and spheres of the strategy. There should be a part 6 (minor) on Armed Forces engaged in economic activities.

#### **Organize, Manage Reservists at Grassroots**

*91E0185B Hanoi TAP CHI QUOC PHONG TOAN DAN in Vietnamese Feb 91 pp 88-93*

[Article by Lieutenant Colonel Le Dung Sam]

[Text] Recently, localities have made surveys and organized meetings to exchange ideas on managing reservists and people ready for induction and making preparations for mobilizing forces at the primary level. Many problems were discussed seriously in a spirit of democracy and openness in order to correctly evaluate the situation in managing reservists and people ready for induction and making preparations for mobilizing forces. They saw the things that have been done and that have not been done, pointed out objective and subjective reasons, and proposed a number of policies and measures to carry out this work in the coming period.

The surveys and discussions showed that people have many different ideas on the problem of managing reservists at the primary level. To contribute to clarifying the General Staff's policy on organizing and managing reservists at the primary level, I would like to give a few ideas.

1. Managing the reservists at the primary level is an important task of the committee echelons, authorities, and mass organizations.

The primary level (village, subward, town, agency, enterprise, school, etc) units are the places that directly organize and successfully implement the lines, positions, and policies of the party and state at the primary level. At the primary level today, there are a rather large number of reservists (in some rural zones, they account

for 10 percent of the population, and in some state agencies, they account for 35 percent of the workers and civil servants). Each year, the number of reservists increases, because soldiers leave active duty and return home and those who are past military age register for the reserves. Also, the quality of today's reservists has increased. Most are in the "A" age group, and the majority have been trained and tested in combat and construction. They have accumulated much valuable experience. These are the main forces for reinforcing the army if war should break out.

Today, the number of reservists who have registered at the primary level is often larger than the mobilization norm. Because of this, judging each person in order to assign them proper positions in the mobilization units must be based on the mobilization and guidance tasks of higher echelons. People with adequate mobilization characteristics must be selected. (These include age, health, and military and political standards.) But a particularly important factor is military speciality. This must be considered carefully so that the person can complete the tasks immediately when mobilized. Registering people accurately and selecting people with the proper standards in accord with the mobilization plans are very important tasks that require care and accuracy. But that is not all, because the decisive thing is to manage the reservists closely throughout the process of arranging them in the mobilization plans. Every time there is a change, things must be adjusted promptly.

In the face of the developing situation and the changes in the socioeconomic structure throughout the country and in each locality, many production installations have had to reorganize the labor forces, and many people have had to take jobs far from their place of residence (the place that registers and manages reservists) for different periods of time (a day, a month, and sometimes even a year). Because of this, even though the reserve forces at the primary level have been registered and assigned to mobilization units for control and training purposes, there are frequently changes in numbers and quality. Only if there are primary level units will there be adequate information and conditions to monitor the situation, manage the reserve forces at that echelon well, and know where they are, what they are doing, and how long they will be there. Then, when necessary, various means and measures can be used to alert them and assemble them on time at the stipulated location. In order to fully satisfy the requirements for mobilizing reservists in the new situation, the primary level units and localities with reserve forces must make good preparations for mobilizing people. They must start doing this in peacetime in accord with the requirements, contents, and plans so that they are always ready to satisfy the mobilization requirements when orders are issued.

Prior to mobilization orders being issued, the reservists listed in the mobilization plans and the reserve units at the primary level are under the direct leadership and guidance of the party committee echelon and authorities in the place where they reside and work just like other

citizens. The reservists who have been listed in the mobilization plans are actually military forces that have been stationed in a locality. But the localities must coordinate things with the mobilization unit in registering, managing, educating, and training people in accord with the unified plans formulated by higher echelons. The committee echelons and local authorities and the organizations, factories, enterprises, schools, and mass social organizations at the primary level must clearly determine their responsibilities and obligations in building reserve forces. They must regard this as one of their main long-term tasks. Together with the mobilization units, they must monitor and guide things promptly, contribute energy and money to building, organizing, managing, educating, and training the reservists in their area of responsibility, and enable the reserve force at the primary level to maintain an adequate number of forces, maintain high quality, and be prepared to satisfy the mobilization requirements in any situation.

The many mobilization exercises in the villages, subwards, districts, provinces, and military regions have shown that wherever the party committee echelons, authorities, and mass organizations have monitored and guided things closely, those places have been able to provide enough good-quality troops when ordered to mobilize forces. Along with this, there are also many localities and primary level units that have not given the proper amount of attention to building, organizing, and managing the reservists. As a result, during the mobilization exercises, they have not been able to provide adequate numbers of good-quality reservists in accord with the norms and requirements. There are even places that make mistakes in people's names, rank, and military speciality. In many cases, people are absent without a clear reason, and no one knows where they are or what they are doing. Because of failing to grasp the situation with respect to reservists, many bases have issued too many preventive mobilization orders. This has wasted much money without improving quality.

## 2. Measures for organizing and managing reservists listed in the mobilization plans.

Reservists listed in the mobilization plans are the forces that will be called to active duty first when mobilization orders are issued. Because of this, these forces must always be prepared for mobilization. In order to manage these forces closely at the primary level, they must be organized in separate units. They must be not be organized as part of the militia and self-defense forces, because that could create confusion when forces are mobilized and affect the combat operations of the militia and self-defense forces. (An exception are the sparsely-populated mountain and border villages that have few reservists. Here, reservists can be organized together with the militia forces in order to facilitate activities and carry out the task of defending the locality.)

In past years, the bases have implemented many measures to manage reservists in general and those listed in



the mobilization plans in particular. This has included implementing regulations on registering and transferring people, long-term absences, individual registration, and so on. A number of bases have organized separate units for reservists in order to manage them, and this has begun to achieve good results. The reserve company of Yen Loc Village, Y Yen District, Han Ham Ninh Province, is a typical example of this form of organization.

Legally, reservists listed in the mobilization plans are subordinate to a specific unit (with the exception of those who are reserve forces of the ministry or of a military region). Each person has an identity card and set of orders. The only difference is that in peacetime, they are stationed at the primary level unit (they train and work just like civilians). Only when orders are issued to assemble for training and drills or they are mobilized are they assembled and turned over to the unit. In forming the table of organization of a unit, if a reservist is no longer capable of being mobilized, he should immediately be replaced by someone else. In order to enable these forces to maintain a high state of readiness for mobilization, they must be organized in separate units for management purposes (this can be an infantry unit or an infantry unit with a number of small branch detachments). During productive labor, work, training, and the activities at the agencies, units, and mass organizations, they will come in close contact with each other and gain a better understanding of each other with respect to military and political standards, family circumstances, and psychological and emotional traits. This will greatly facilitate management and mutual help in the reserve units.

Arranging the reservists in separate units for management purposes will make it possible to avoid requiring reservists to "play many roles" as in the past (reservists were in the reserves and also in the military and self-defense forces and in security and national defense units). Thus, they will be able to devote much time to production and work and to looking after their families. On the other hand, the committee echelons, authorities, and military organizations will be able to form a center in leadership and command, which will facilitate grasping the situation and managing each reservist so that they are ready for mobilization.

If reservists who have been listed in the mobilization plans at the primary level are organized in separate reserve units and they are provided with firm leadership, they will form a strong military organization at the primary level (some people have compared these to main-force units in the localities). This is because almost all of the able-bodied people with good military and political standards and much good experience in combat, training, and unit building will be assembled here. Thus, this will affect the management of the reservists and help the committee echelons and authorities play an assault role in carrying out the important national defense, security, and production tasks before mobilization orders are issued. This will also create

favorable conditions for mobilization units when investigating reservists and assembling people for training or checking combat readiness.

An important problem about which almost everyone agrees is that at the primary level, the reservists listed in the mobilization plans must be organized in separate reserve units so that they can be managed closely. But what organizational forms and measures should be used to ensure that the reserve units can carry out their main function, which is to manage, educate, and train reservists? There is still much disagreement on this question. About this problem, I would like to say the following:

On organization: To organize units for management purposes, it's necessary to rely on the reservists who have been listed in the mobilization plans (both officially and unofficially) and their addresses (production unit, hamlet, street cell...subordinate to a rural zone, city, or workshop or enterprise...subordinate to a state organization). At the primary level, squads, platoons, companies (the highest form is the company) should be organized. The organization and table of organization of these units in terms of number of troops are unlike those of regular units. The main goal is to enable reservists and commanders to get to know each other in production, work, and daily life, which will facilitate the management, training, and mobilization of reservists. Units cannot be organized mechanically based on numbers, because that will lead to cutting up areas, or the areas will be too big, which will make it difficult to manage, train, and mobilize reservists.

Reserve units are under the direct leadership and guidance of the committee echelons and authorities at the primary level. Because of this, the commanders at each echelon (squad, platoon, and company) must be selected by the committee echelons and authorities. Of course, before a decision is reached, they must obtain the views of higher echelons and discuss matters with the units concerned. A commander can be a cadre of the receiving unit if that unit is located at a directly subordinate hub of the primary level. That is a very favorable condition. Otherwise, at each hub (production unit, workshop, and so on), those with the highest rank (officers or noncommissioned officers) should be selected. Above all, talented people with prestige who are capable of managing the unit must be selected.

The most difficult problem in mobilizing reserve forces is managing the reservists. What should be done to firmly manage each reservist and reserve unit? Many localities agree that once an organization has been formed, there must be activity and training measures. And depending on the special characteristics of each base, suitable stipulations must be put forth concerning squad, platoon, and company activities. The contents of the activities should be simple, but they must have quality and be carried out on schedule. Such activities can be carried on along with productive labor, training,



and cultural activities either directly or indirectly in order to maintain each person (it isn't necessary to wait for unit activities).

The commanders of reserve units must constantly keep abreast of the situation in their unit. They must know how many people are present and how many are absent (with reason), and they must grasp the thinking, family circumstances, and health of the men so that they can help the committee echelons, authorities, and, above all, the military committees manage the reservists. They must give the proper amount of attention to mobilization.

The primary level committees and authorities, and, in particular, the military committees, must regularly meet and discuss things with the commanders of the reserve units (squad and platoon leaders and so on) in order to keep abreast of the situation. On the other hand, they must correctly implement the stipulations in the military draft statutes on notifying the military organizations at the same echelon about the situation related to the reservists of the public security organizations, organs of control, and courts.

In order to create conditions for management activities and ensure that the reserve units operate well, the primary level committees and authorities must give attention to and implement the policies and positions on reservists in order to reduce the difficulties facing these people and their families when they go to participate in activities or training. Recently, a number of villages in Hai Hau District, Ha Nam Ninh Province, implemented many practical measures in accord with the special characteristics and capabilities of the locality to help the reserve units. This included loaning land, ponds, and canals and so on to enable the units to engage in production, protect the crops for the cooperatives, and so on. Because of this, the units were able to support themselves, support their activities, and train. At the same time, it was possible to manage the reservists, and all of the troops were present for the maneuvers.

Organizing and managing reservists at the primary level in order to satisfy the military mobilization requirements is always an important problem, and in today's situation, it is every more important and pressing. Recently, the localities have implemented many measures to manage the reservists, but in general, the results have been poor, and the requirements have not been satisfied. The state has promulgated a Draft Law and a Military Draft Registration Statutes and issued other legal documents that provide stipulations and specific guidelines on registering and managing reservists. With a thorough understanding of the renovation line of the resolution of the sixth party congress, today the bases are carrying on all-round renovation in developing the economy and society, building and consolidating the political system, and solidifying national defense and security. This has created favorable conditions, but many new difficulties have arisen, too, particularly concerning procedures and policies to ensure that the

reserve forces work, study, and train and that they are prepared for mobilization. Thus, this matter must continue to be discussed and improved so that building and managing reservists at the primary level is put on the right track and achieves good results and so that we are prepared to satisfy the mobilization requirements in any situation.

### Party Leadership in Specialized Army Unit

912E0195A Hanoi TAP CHI QUOC PHONG TOAN  
DAN in Vietnamese Mar 91 pp 34-36, 12

[Article by Lieutenant Colonel Nguyen Duy Tuyen and Man Ha Anh: "About Organizing Party Leadership in an Army Unit Specialized in Economic Construction"]

[Text] In recent years, our army force that is specialized in economic construction has undergone changes that have led to new developments in its activities ranging from organization, tasks, and occupations to operational mechanisms. In the course of this development, the party and political work in this force has also been renewed and further improved to make it suitable for the realities of units, to maintain the armed forces' character and traditions, and to fulfill all the tasks assigned by the party and state.

Resolution 77/QN (22 May 1989) of the Military Commission of the CPV [Communist Party of Vietnam] Central Committee on the system of party and mass organizations in the units specialized in economic construction and the national defense industry, along with Directive 288/CT (26 August 1989) on implementing Resolution 77/QN, have served as a basis for the economy-building army units to organize their tasks in connection with their party and political work. Although many matters would still need further study and revision to become appropriate, after 2 years of carrying out the two above-mentioned documents we have come to this affirmation: Those economy-building units that were doing their party and political work in a dynamic and creative manner and with careful consideration of their own realities all properly fulfilled their production and business tasks and made progress in every way in their own construction. The corporations and enterprises subordinate to the Truong Son Construction General Corporation (TSCGC) are an example that proves that point.

In production and business, all units from general corporations (corps [binh doan]) to production units (companies) must satisfy an objective and urgent requirement, to keep their organization streamlined and to reduce as much indirect labor as possible. Consequently, cadres doing party and political work in general corporations cannot be organized in accordance with common rules as in units permanently ready for combat, i.e., with full staff for different sections and sectors. That is the reason why the political organs of general corporations, which once numbered close to 100 cadres and civil servants, since the issuance of Resolution 77/QN and

after repeated rearrangement, now consist of 31 persons including party control committee members. The same thing has happened to corporations and enterprises. The political organs of divisions and regiments used to number close to 30 persons, but now they number the most six or seven persons as in the cases of Corporations 185, 470, and 565, or four to five persons as in Enterprises 35 and 17. In the special cases of Enterprises 86, 532, and 334, the Planning Research Institute, and the Life Services Corporation, their political organs number only one or two persons. Such staff reductions unavoidably require that those cadres who do party and political work have specific background and capabilities and shoulder additional work. Propaganda and training cadres must also hold the task of Youth Union secretaries; cadres doing control work must take care of protection and cadres-related work. All activities having to do with the party and political work must still follow what the Political General Department guidelines have set as objectives to be attained.

On the other hand, the party and political work of TSCGC was aimed at objectives that were different from those of permanent combat units. In the TSCGC, officers accounted for 14.3 percent of the staff; professional military personnel, 23 percent; noncommissioned officers and soldiers, 39.1 percent; and workers and civil servants, 21.5 percent. The TSCGS had nine corporations, six enterprises, one state farm, one state forest, one bridges-and-roads and vocational middle school, and the general corporation organ. Its operations were spread all over the country; most of its units were in forest and mountainous areas far from population centers, and had to bear harsh weather conditions. Some units like Corporations 99 and 472 had to operate in three to four provinces, in locations hundreds of kilometers apart. With such locations and characteristics, it was obvious that the party and political work of TSCGC was far from simple and that the results as we know them today were quite an accomplishment to its credit.

In the last few years, the TSCGC was doing profit-and-loss accounting for its production and business activities and obtaining good results; its most obvious achievements were the fact that its components had maintained balance to mutually support themselves, fulfilled their budget-contributing obligation, and made some profit to allow expanded reproduction and improvement of the living standards of its cadres, soldiers, workers, and civil servants. In 1990 alone, it accepted 28 state projects, including five key ones, and a total of 30 billion dong of invested capital. A final review showed that the TSCGC fulfilled 110 percent of its production and business plan, made 100 percent of the payments the plan called for as contributions to the state budget, and brought the average monthly income of its workers to 80,000 dong/person. Other activities of its units were maintained and made more effective than in the previous year. We can so far assert that the TSCGC has not only existed and remained stable but also developed itself and become better. There was an important

contribution from the party and political work to this success. Its party organizations at all levels had been playing their leadership and control role on the basis of strictly upholding democratic centralism, which served as a support for its director to adopt policies and to set the directions for its objectives, tasks, production and business, and manpower organization. The party organizations controlled the implementation of the party resolution by listening to the director's periodical reports on his units' activities; the CPV Committee considered, discussed, and decided about the matters having to do with policies, guidelines, and major measures, but made no actual decisions on the measures to be taken by the director in regard to organization and implementation. That way there was no lowering of the leadership role of the CPV Committee, nor any "encroaching on the ground" of the director. As a result of that, the leadership role relationships between the CPV Committee, of which the secretary was the representative, and the director were maintained in the spirit of solidarity, unity, and mutual support and without any duplicative and hampering effects or any harm to the production and business task, and created a highly dynamic leadership, command, and management team.

However, the implementation of Resolution 77 and Directive 288/CT and the party and political work in the TSCGC also showed some organizational shortcomings. For instance, the procedures for admission, introduction, and transfer of party members, which used to be executed by the regimental CPV Committee, now have been switched to the corporation and enterprise CPV Committees and thus have no longer remained a three-level primary arrangement; as a result, the fact that these procedures had to be handled by the TSCGC CPV Committee caused additional loss of time and money.

As to the system of full-time secretaries, as it is currently done, the TSCGC applies it only to the enterprise and higher levels; in production units (companies), the deputy political officers also assume the duties of secretaries. Many full-time secretaries think that this is a position to be elected by party members at congresses and wonder, after a term if they fail to be reelected, what work they will be doing since in corporations and enterprises, and even in the general corporation itself, there will not be staff positions for political deputies.

In the execution of the leadership over party and political activities, there also are irrational aspects of the relationships between party secretaries of units and CPV organs and offices and the director. As things currently stand, although the party work is supposed to be done under the leadership of full-time party secretaries, because the latter do not concurrently assume any position in the administration, the office of the CPV Committee, after reporting to the secretary, must solicit the opinion and decision of the director before doing the work. This way there is delay in the work of the CPV Committee office and, furthermore, additional work is created for the director. As to cadres-related work, it is

very difficult to draw a dividing line between the responsibilities of party secretaries and those of the director. According to the economic mechanism, the director has the highest authority, but according to the army's rules on organization, the cadres-related work belongs to the responsibilities of the CPV Committee. Consequently, the role of party secretaries is now totally different.

As to the functions of the CPV Committee office, according to Directive 288/CT, only the ideological and organizational work is done in the party organization. The office is a permanent organ of the party organization only in the administrative sense. But in reality, in the TSCGC, this office has to carry out all of the party and political work in the leadership hierarchical system, which runs from the Political General Department to units, including leadership over the activities of the Youth Union and trade union organization. And so there are activities that evade the responsibilities of the CPV Committee office.

At present, the army's force specialized in economic work is a multifaceted one in terms of organization, scope, occupations, and so on. This force is facing a choice in regard to the party and political work—what road to take to conform to the realities and every objective and every unit doing economic work.

The consensus among the TSCGC's corporations and enterprises is this: The organization of the political organ as it has existed should be left alone (the number of staff members should be reduced, of course); the full-time secretary should concurrently hold the position of deputy commander-political affairs (deputy director). The party organization in the general corporation should be at the level higher than the basic level; in corporations, at the next higher level than the basic one; and in enterprises and equivalent organizations, at the basic level, with authorities being those described in the CPV statutes.

To resolve the above-mentioned matters will allow the economy-building units to maintain the party and political work while upholding the principle and mechanism of the party assuming leadership in the armed forces and at the same time obtaining high leadership results.

#### **Alleged Illegal Military Planes Sale Discussed**

912E0168A Hanoi QUAN DOI NHAN DAN  
in Vietnamese 19 Apr 91 pp 1, 4

[Text] Recently, the editorial staff of QUAN DOI NHAN DAN has received many letters from readers, especially military cadres and soldiers, asking that the agencies responsible clarify the truth concerning the smuggling of military aircraft, an issue that was raised recently by Ho Chi Minh City People's Council delegates at the Sixth Session of the Fourth Term of the People's Council. In providing additional information to readers, in a series of articles on the ideas of the delegates on what has been happening, on 2 April 1991, TUOI TRE, the voice of the Ho Chi Minh City Communist Youth

Union, published a letter offering to sell a variety of military items, including MiG 17-19 fighter aircraft, and an official letter of the Central Military Organ of Control issued on 12 November 1990 by Maj Gen Nguyen Van Kiep, the deputy head of the Central Military Organ of Control and head of the Military Region 7 Military Organ of Control, on receipt of files from the Ho Chi Minh City Market Management Board.

What is the truth about this? Based on data examined by the agencies responsible, we would like to help readers understand what is true and what is false.

#### **Resolutely and Urgently Investigate and Make a Determination**

The matter began when the Ho Chi Minh City Market Management Board inspected illegal storage activities of the Con Dao Film Corporation, which is subordinate to the Vung Tau-Con Dao Special Region, at 353 Nguyen Trai Street, Precinct 1, Ho Chi Minh City. At that address, the Market Management Board discovered a number of marketing documents for weapons and materials written off by the military and sales letters for 12 types of items.

Informed of this, the Central Military Organ of Control and the Military Department of Security sent an official letter asking to examine the files and took urgent steps to conduct an investigation. After examining the files, the Central Military Organ of Control concluded that "this amounted to writing off discarded and scrap materials as approved by higher echelons. There were no serious manifestation." In March 1991, the Central Military Organ of Control [CMOC] sent a CMOC cadre to explain things to the head of the Municipal Market Management Board, but he was absent and the cadre had to report to a cadre in the investigation unit. As a result, the above conclusion was not communicated to the Municipal People's Council and this in turn led to the view that the above matter was still a problem. Thus, the matter was raised at the sixth session of the fourth term of the Municipal People's Council as mentioned above.

On 5 April 1991 (that is, three days after TUOI TRE printed that article), Senior General Le Duc Anh, the minister of defense, proposed having the head of the Central Military Organ of Control conduct an investigation. With a very serious and resolute attitude, the minister stressed that "regardless of the echelon or who is involved, if a violation has been committed, those responsible must be prosecuted in accordance with the law and without compromise or favoritism." Moreover, the minister directed the Editorial Board of QUAN DOI NHAN DAN to "send a reporter to monitor things and report the news if necessary for education and vigilance."

After receiving the minister's proposal, the head of the Central Military Organ of Control continued to guide the investigation concerning the "smuggling of military aircraft."

### The Truth Concerning 44 MiG Frames

After working very intensively with an attitude of great seriousness and facing the truth squarely, in response to public opinion (and the great concerns of readers), the Central Military Organ of Control and the Military Security Department, in conjunction with the deputy director of the National Defense and Economics General Department, a number of organizations, the Air Command, and the Materials Corporation subordinate to the National Defense Industry and Economics General Department, conducted investigations into the allegations raised in letters and studied Official Letter 218/CV, sent on 3 April 1991 by the Anh Hong Enterprise, and Official Letter 30/CV, sent on 5 April 1991 by the Materials Corporation of the National Defense Industry and Economics General Department. After studying these letters, the Central Military Organ of Control concluded:

Based on Ministry of Defense Letter 354/QP of 11 April 1989, the sale of scrap aircraft frames by the Air Force Officers Academy was legal. The Anh Hong Enterprise, which is subordinate to the Ho Chi Minh City People's Court, purchased the 44 MiG frames from the Air Force Officers Academy. These consisted of 26 MiG-19, nine MiG-17, and nine MiG-15 frames. The enterprise paid 167,200,000 dong for these. Besides this, the academy also signed a contract to sell a number of other types of materials to the Anh Hong Enterprise.

Because it could not use them, on 27 December 1990, the Anh Hong Enterprise sold these items to the Materials Corporation subordinate to the National Defense Industry and Economics General Department for a total of 150 million dong. Today, these 44 aircraft frames are still sitting untouched at the airfield of the Air Force Officers Academy.

### Additional Comments

Concerning these 44 aircraft, after conducting a thorough investigation, on 23 September 1989, the Air Force Materials Processing Board concluded that these were scrap aircraft frames. It determined that these were just aircraft frames and "not new aircraft that had been dismantled" as the letter printed by TUOI TRE stated. The investigations conducted by the air force and the Materials Corporation of the National Defense Industry and Economics General Corporation showed that these were discarded aircraft frames, none of which could be used again. Because of this, the Anh Hong Enterprise had to sign Notice 100/XN offering to sell them to the Con Dao Film Corporation. But no one bought them so in the end, the Anh Hong Enterprise decided to sell them to the Materials Corporation at a loss. To date, it has not been able to sell them and these 44 aircraft frames are still sitting in the same place. The stories printed by TUOI TRE are incorrect. That is, it is not true that "from documents received, it has been learned that there are a

number of brand-new aircraft" and that "various news sources have learned that these military aircraft have been smuggled abroad."

If these 44 aircraft frames were sold for a total of 167.2 million dong, that means that each frame sold for an average of 3.8 million dong based on prices stipulated by the Air Force Materials Department. That price confirms that these are discarded aircraft frames and not MiG 19, 17, and 18 aircraft costing 645 million dong each, which could easily mislead readers into thinking that these were new aircraft.

As for the "letter of offer," this letter was written by DISAMEX, a private corporation and not the Air Force Officers' Academy. On 3 August 1990, the DISAMEX Corporation decided not to purchase discarded war goods such as aircraft, aluminum, cartridges, copper, or aircraft engines.

According to Report No. 108/XL-QLTT sent by the Municipal Market Management Board to the Ho Chi Minh City People's Committee, the DISAMEX Corporation, which is headed by Vu Trieu Hung (this corporation, which has now changed its name to the Tin Phat Private Corporation, is located at 13 Le Hong Phong Street, Precinct 5) has decided that it cannot trade in discarded war materials. That letter was perhaps written by a worker at the DISAMEX Corporation. This confirms that the "letter of offer" was not written by the Air Force Officers' Academy or by units in the midlands. The letter was not related in any way to the Air Force Officers' Academy sale of the 44 MiG frames to the Anh Hong Enterprise.

The 44 MiG frames have been sitting at the Phu Cat airbase. But on paper, they were transferred from the Anh Hong Enterprise to the Con Dao Film Enterprise and a number of other places, and then to the Materials Corporation of the National Defense Industry and Economics General Department, Ministry of National Defense. During the intermediary stages of this process, it has been made to appear that these aircraft are brand-new aircraft and that the engines are new. Now readers finally understand the truth about the "military aircraft smuggling" case investigated by representatives of the Ho Chi Minh City People's Council and reported by TUOI TRE in its 2 April 1991 issue.

The Ministry of National Defense sent cable No. 815/QP on 27 July 1991 halting the sale of discarded and scrap weapons and materials to entities outside the military. To implement this order strictly, leaders and commanders of sectors, echelons, and units must implement specific measures to carry out implementation in close cooperation with the forces and organizations responsible, and the masses, and prevent negative phenomena from occurring when writing off things. Many readers have said that anyone who violates the stipulations and principles and illegally buys or sells items belonging to the military or state, which could adversely affect the nature and wonderful traditions of the military and lead

to the loss of military property, must be prosecuted in accordance with the law, regardless of what echelon they are at. No one must be allowed to damage the prestige of Uncle Ho's troops.

### **Mobilizing Industries for National Defense Urged**

912E0195B Hanoi TAP CHI QUOC PHONG TOAN  
DAN in Vietnamese Apr 91 pp 59-62

[Article by Colonel Nguyen Ngoc Ky: "Exchanging Ideas and Experiences: Again Discussing the Mobilizing of Industries for Defense of the Fatherland"]

[Text] In peacetime, the weapons and equipment that ensured the armed forces' existence must be maintained and there must be reserve supply of these items. Basically speaking, this requirement is to be fulfilled by enterprises in the defense industry (DI). When war breaks out, in order to have enough weapons and equipment for use, we must immediately mobilize our reserve capabilities by asking industries to produce weapons and equipment which are in short supply because DI enterprises have failed to produce enough in time, or because of the effects of combat action. To mobilize industries means to ask industrial enterprises, both central and local, to switch from making items used in the people's daily lives to making military products that serve the war.

In order to carry out preparations for the mobilization of industries, we must gradually and promptly do the following:

One, we must classify enterprises in various sectors of the national economy and select a number of key enterprises to survey and evaluate the capability to make military products.

Two, we must actively investigate these aspects of enterprises selected for experimental work: production assembly line; capacity of technical equipment, numbers and types of machinery, degree of modernity, accuracy, quality of products; capabilities of technical cadres, skills of workers, ability to learn industrial skills; various abilities of enterprises to switch production from civilian products to military ones, or to install new assembly lines for making military products; favorable locations, both industrial and geographic, in relation to key DI enterprises in a locality; and ability to combine economics and national defense to meet not only civilian economic interests but also the military production assembly lines of these enterprises, and thus to stabilize the reserves resulting from industrial mobilization.

Three, we need to analyze and evaluate the capabilities of the mobilized industrial enterprises after the surveys; suggest to them production plans for making military parts (cartridges, shell canisters, replacement parts, vehicles, machines, equipment) and for delivering them to DI enterprises for assembly and final production, or to other mobilized enterprises assigned the task of making

complete military products, with other items to be supplied such as fuses, detonators, propellants, explosives, and so on.

Four, after production plans for making military products are adopted and calculations are made regarding factors that will ensure their implementation, the mobilized industrial enterprises, relying on documents, blueprints, economic and technical norms, invested capital, and so on, will either improve or newly install assembly lines, deploy management cadres, assign work to workers, produce on a trial basis, control military products quality, and evaluate the stability of the productivity rate of their assembly lines.

Five, after assembly lines for making military products are set up in the mobilized industrial enterprises, there must be an investment plan and budget for making a certain quantity of products for the armed forces' training and exercise needs. We must do the following: use the remaining capacity of the assembly lines for making military products to make civilian products, use income from sales of the latter to maintain the assembly lines for making military products, provide enterprises with guidelines for implementing regulations on maintenance; keep secret the planning and industrial documents, production plans, economic and technical norms, and production plan goals; and correctly carrying out rules on reserves, rotations, use of specialized materials, and labor management to maintain assembly lines for making national defense items on a regular and effective basis.

To fulfill the task of mobilizing industries is not simple or easy, particularly when we have to mobilize industries under the current new economic management mechanism. Therefore, the first and important thing to do is to correctly perceive and fully understand the views on the all-people national defense and people's war, on combining economics with national defense, and on self-sufficiency as expressed by central ministries and sectors, localities, and mobilized industrial enterprises.

It is the responsibility of the country and people as a whole to ensure provision of weapons and equipment to the armed forces so that they can fulfill their tasks and help increase the DI potential in the overall effort to consolidate the all-people's national defense. While we concentrate our potential capacity on developing the economy and industries, we should not forget to develop military production for the defense of our fatherland. We mobilize industries to carry out the combining of economics with national defense. When the national economy is developed, industries will also develop and expand, with substantial investment and advanced science and technology. This state of affairs will greatly influence the country's DI system and encourage the DI to move forward in new steps, to respond readily to the call to defend the fatherland, and to contribute to national construction. As to self-sufficiency, we will develop to a high degree the potential capabilities of our industries, which will have the great responsibility of

repairing existing weapons and equipment, producing, maintaining, and improving replacement parts, and thus lengthening their utility and increasing their effectiveness. At the same time, we must make various kinds of weapons within our country's economic and technical capacity so as to let our armed forces have sufficient quantities of weapons and equipment; and actively expand international relations, make advancements in science and technology, and develop our industries to the point that the DI can produce modern weapons and equipment for our army.

As for implementation, the National Defense Ministry, in the capacity of the state's staff for mobilizing industries for national defense, must closely coordinate with other ministries, sectors, and the people's committees of provinces, municipalities, and special zones, and select the industrial enterprises to take part in the mobilizing task so as to carry out investigations and surveys, draft projects and plans, assign plans for making military products, and arrange assembly lines.

Ministries and sectors in charge, based on tasks that are assigned to industrial enterprises, are to prepare to mobilize, distribute the budget, supply machinery and materials, and ensure that these enterprises fulfill their mobilization task.

The people's committees of provinces, municipalities, and special zones, in accordance with the state's overall industrial mobilization plan and on the basis of the task of maintaining security and defense in defense zones, are to assign local industrial enterprises the task of maintaining a balance between plans for making civilian and military products and the placing of orders to let these enterprises make weapons and equipment for the local troops, militiamen, and self-defense force members for use in training, annual exercises, and use in unexpected tasks.

The National Defense Ministry (including the military regions), along with other ministries, sectors, and local people's committees, must unify the division of managerial work and implementation of procedures and policies among subordinate enterprises assigned with preparations for the mobilization, and periodically organize training and exercises to allow them to learn from experience and ceaselessly and further improve the industrial mobilization plan as the changing situation requires.

The industries-mobilizing task must be urgently carried out in peacetime so as to be actively executed in wartime. For a few years in the past, we had made preparations on a trial basis for mobilizing a number of central and local industrial enterprises. But because the country was then at war, the steps undertaken for such preparations had not been made well enough, and the managerial mechanism, procedures, and policies had not been clearly defined, only a part of the affected industrial enterprises' capacity was changed to repairing and making certain kinds of military products. The results

had been an incomplete mobilization, which has not been reviewed and evaluated so far. On the other hand, with the new managerial mechanism, almost all of the industrial enterprises that took part in making military products have now reorganized and rearranged their production and have changed the products they had been making, which greatly changed the assembly lines and production capacity. Therefore, we must now redo everything and do things with steadfastness, by following regulations, management guidelines, clear-cut procedures, and policies, for only by so doing can we bring the task of mobilizing industries into our industrial enterprises and maintain for a long time their reserve capacity aimed at helping the Armed Forces fulfill the task of defending our fatherland.

### **Son La Province Changes Cadre Military Training**

*912E0195C Hanoi TAP CHI QUOC PHONG TOAN DAN in Vietnamese Apr 91 pp 79-81*

[Article by Cam Hung, military command, Son La Province: "Son La Revises Formula for Local Cadres' Military Training"]

[Text] Son La has been paying attention to improving the military knowledge of its cadres at all levels, particularly at the basic level (village, subward, and economic unit), in order to turn the province and its districts into strong defense areas, its production installations into good economic units, and to maintain strong national defense and security. Son La's leading cadres believe that only when leading cadres of localities and production installations have a solid military knowledge will they be able to properly fulfill their functions and responsibilities while leading and running their localities and production installations and carrying out the development of the economy and national defense tasks. However in past years, the military capabilities of village and subward cadres, particularly of party committee secretaries and village and subward chairmen, have not satisfied the needs and the results have been very limited. The military exercises of defense areas at the provincial, district (Moc Chau), and village (Loong Sap) levels clearly proved that fact. One of the main reasons was that the formula and contents of training for basic level cadres were far from rational. In the past, the province each year opened only one intensive training course for basic level cadres from all over the province at its military school; the long duration of the course caused much inconvenience for cadre-trainees. The numbers of village and subward cadres, particularly leading cadres, taking part in training courses were very small compared to the goals and plans that had been set because the cadres had to travel long distances and there was a shortage of means of transportation. At the same time, the long, continuous training period meant that could not arrange for their heavy work loads to be taken care of so that they could attend the course. According to statistics, each year only 20-30 people, 97 people in the best year, almost all of which are cadres from village

military units, received military training. In most cases, the party committee secretaries, who were also the political officers of their village military units and village committee chairmen, did not attend training courses. Son La has 193 villages, subwards, and towns, and hundreds of state farms and enterprises. The great majority of basic level cadres thus did not receive military training, and the numbers of villages having no participants in military training each year were very large. According to the above-mentioned figures, the lowest percentage was 3-4 percent and the highest was 16 percent of village and subward cadres that received military training. Among leading cadres (party committee secretaries, chairmen), almost nobody attended the training courses. If enterprises, state farms, and economic units had been included, the percentages of basic level cadres who took part in annual training would have been much lower. This situation means that Son La faces the urgent task of finding the measures and means of improving the military knowledge of its cadres in order to obtain the desired results and to respond to the economic and national defense needs in the present situation.

As it entered 1990, Son La issued Resolution 01 of the Provincial CPV [Communist Party of Vietnam] Committee and Directive 15 of the Standing Committee of the Provincial CPV Committee in order to carry out Resolution 02 of the Political Bureau concerning the task of developing provinces and districts into strong defense areas, with special attention paid to improving cadres' military knowledge so as to properly carry out the mechanism of "The party leads, the administration rules, the military organs serve as staff," and to strive to provide advanced training so that the leading cadres of the party, administration, and military organs from the provincial to village levels could have the necessary military background, capacity, and knowledge, and methodology of drafting plans, as well as know how to carry out the military task at their level. As to village construction, Son La needs to see clearly the urgent task of providing military training to key cadres of villages and subwards and cadres of basic militia and self-defense units throughout the province, and allow them to obtain good results.

In addition to issuing the above-mentioned resolutions and promoting a thorough understanding of these resolutions, the provincial CPV Committee has asked the military command to concentrate its efforts on studying how to renovate the formula, contents, and objectives of military training for basic level cadres so as to obtain good results. The provincial military committee and command have adhered to the formula of "turning to the basic level and acting for the basic level." To change the formula of assembly of village and subward cadres in the military school as adopted in the past by organizing mobile groups of instructors and sending them to districts to open training courses. These instructors come under the responsibility of the military school. (Teams of instructors in charge of teaching must cover all subjects

of training and are headed by a member of the military school board.) Registration of students, organization of classes, and classroom services are taken care of by district and town military commands. The duration of training in districts and towns is now shorter (5 days for a course). The timing for training courses is jointly decided upon by the districts and the provincial military school, with an avoidance of the agricultural season and other busy times for the localities. This rational timing is aimed at creating favorable conditions for all key cadres to take part in the training. Efforts are to be made to make the contents of training conform to the needs, conditions, situation, and capabilities of the cadres in a given area in connection with the locality's construction and defense tasks. Because training is now short, it must be concentrated on the contents that are realistic, necessary, and directly interesting for the locality. Some subjects and topics may be taught in this course or that district but are not taught as intensively or are not offered in another course or district and vice versa. This year, the important requirement from village and subward cadres is that they must thoroughly understand the basic issues regarding the party's military line, in the spirit of Resolution 02 of the Political Bureau, so as to see clearly the plot and tricks in the enemy's sabotage strategy; the task of building the armed forces (building the militia and self-defense forces, and army reserves to be ready for mobilization) assigned to villages and subwards in the new situation; the goals of building combat villages (including drafting combat plans for defense of villages and for protection of economic installations); and the work involved in organizing management, training of reserve troops for mobilization, and recruitment. The teaching methods as adopted in the training courses are also very flexible. The methods used to organize training in cities are different from those in villages; and training methods are not the same in villages in the lowlands and highlands either. The ways to teach lessons to cadres from ethnic minorities are also different from those to other cadres.

In order to promote good training for basic level cadres, the province's CPV Committee, People's Committee, and Military Command have instructed the party committee echelons, administrations, and active organs, particularly the military and financial organs, of the 10 districts and cities in the province to prepare for all favorable conditions to ensure success for the training courses ranging from projecting the estimated costs of training to thoroughly understanding the position, role, task, and responsibility for training of village party secretaries and chairmen, and heads of village military units, in both the lowlands and remote highland areas, with military training actually taking place in districts. The provincial military command has created favorable gas and oil conditions and put aside an automobile for the teaching staff of the military school to travel to districts where they will provide the basic level cadres with training.

The party committee echelons and administrations of all districts also have been paying much attention to this



matter; for instance, in Quynh Nhai, Phu Yen, and Muong La Districts, all party secretaries and committee chairmen have directly taken part in checking and ensuring the learning of basic level cadres.

Thanks to the great concern of party committee echelons and administrations in all districts and cities in the province, and with changes in the formula, duration, and contents of training made to bring it closer to the basic level, all courses in the districts have attracted a large attendance, with the quality of training having obviously been improved.

In only phase I of the 1990 training program, the teaching staff of Son La Province's military school provided training to nine-tenths of the districts and cities in the province, with 353 cadre-trainees being village party secretaries and chairmen, and heads of village military units; in the case of Muong La District particularly, its squad and platoon cadres also received training. As a result, the cadres who received training in phase I of the provincial training program numbered 500. The quality of training last year was very good. In a survey among 9 districts, the training courses in 8 of them were rated good and outstanding, with just 1 district being considered average. This fact somehow proves the success of the new military training formula as it has been adopted for basic level cadres. With this experience being just an initial one, Son La Province will continue to study, renovate, and perfect this training formula.

## ECONOMIC

### Gas Company Joint Venture With French Firm

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1 Jun 91

[Text] Hanoi VNA June 1—The Saigon Gas Company (EGS), a joint venture between the Elfantargas Company of France and the Union of Building Materials Enterprises of Ho Chi Minh City will be built in the suburban district of Nha Be.

The company has nearly capacity of 25,000 tons of gas. The first batch of product will be marketed in the third quarter of this year. The EGS company's prescribed capital is 37.8 million francs, of which the French side contributes 71 percent. The French partner shall supply a production chain to ensure safety and prevent environmental pollution.

### 'Positive' Foreign Response at Investment Forum

91E0189A Ho Chi Minh City SAIGON GIAI PHONG  
in Vietnamese 18 Mar 91 p 2

[Article by Khac Binh: "Vietnam Investment Forum: An Unprecedentedly Positive, Wide, and Strong Response to Vietnam's Open-Door Policy"]

[Text] The Vietnam Investment Forum (11-15 March 1991) in Ho Chi Minh City was attended first of all by

representatives of agencies and organizations (SCCI, UNIDO, UNDP), with the participation of the Ho Chi Minh City People's Committee and domestic and foreign businessmen, and was recognized by observers at the forum as a great success. For the first time an international economic forum of such a large scale was held in Vietnam and drew the attention of such a large group of officials, international organizations, and domestic and foreign businessmen. The forum was an initial and very important result of efforts to further expand economic cooperation with other countries and confirmed our determination to overcome difficulties encountered in our country's economic renovation. The nearly 1,200 guests who attended the forum included 640 foreigners representing diplomatic missions, UN organizations, foreign economic organizations in Vietnam, news agencies and the press, and 431 companies of the following countries: France, Italy, Japan, Indonesia, the United States, Australia, Malaysia, Germany, India, Hong Kong, Thailand, Singapore, China, Taiwan, the Soviet Union, the Philippines, Switzerland, Sweden, Austria, Britain, Canada, Hungary, Belgium, Luxembourg, Holland, Denmark, South Korea, New Zealand, and Egypt. Five hundred Vietnamese guests represented many sectors, localities, central organs, project managers, and press organs. The number of participants surpassed the projected figure. At the forum, foreign businessmen had an opportunity to become more familiar, through discussions, brochures, and product exhibits, with Vietnam's investment environment, the laws and policies that have been adopted under the Foreign Investment Law, and to learn from the experiences of a number of foreign organizations and companies which are cooperating and conducting joint ventures with Vietnam. They were really interested in knowing the actual policies and conditions in order to proceed with their investment plans and asked many practical questions about the legal system that is being actively improved to create more favorable conditions for investment after three years of implementing laws in the financial, banking, export-import, and labor aspects, and they received positive and satisfactory answers.

In addition to the opportunity to learn a lot very quickly about the legal system governing investments, the past experiences, and the real investment situation in Vietnam, foreign businessmen also had opportunities to select and learn about projects prepared by the Vietnamese side, contact the project managers, and discuss the projects in order to come to an agreement and sign contracts. The meetings and discussions on various projects lasted from the second working day of the forum until just a few hours before the forum ended. After the contacts, discussions, agreements, and signing of contracts, the State Cooperation and Investment Commission issued permits on the closing day of the forum to 11 projects with a total capital investment of \$241.6 million; in-principle contracts were signed for 24 other projects with a total capital investment of \$178.6 million; and agreement was made after the forum ended for



further study of 118 projects. Thus, through the investment forum, domestic and foreign businessmen were able to meet and understanding one another better, and forge better and closer relations in order to increase cooperation and investment within the framework of the positions and policies aimed at widening Vietnam's economic cooperation with other countries, improving these relations, and creating a better environment for foreign investment in Vietnam. At the same time, the Vietnamese leaders and business people who took part in the forum had an opportunity to acquire interesting ideas from foreign organizations and businessmen in many fields, which could help them examine and rationally supplement investment policies and make them more suited to national conditions and Vietnam's relations with the international market. The Vietnamese side also got to know their foreign counterparts, and to evaluate their own capabilities to cooperate with the outside world. Among the speeches made at the forum, many domestic and foreign businessmen paid a lot of attention to the speech by UN's ESCAP on "foreign investment in Vietnam." On the basis of the available opportunities and present limits in Vietnam, the ESCAP delegates offered many recommendations aimed at encouraging direct investment by foreign countries, and stressed Vietnam's two basic strengths, namely, a labor force that is quite well-trained, and abundant resources. Vietnam should fully use these two strengths to attract direct investment from foreign countries and make realistic choices so as to avoid the kind of investment that would rob it of its resources rather than bring about beneficial results.

The forum was closed with fine results, which went beyond all expectations expressed during its preparation. UNIDO Director General Domingo L. Siazon had this to say in the closing session of the forum: "I have the feeling that the Vietnamese government strongly believes in renovation. I assure you that we will continue to support Vietnam's renovation." Now to conclude, we would like to quote Minister Vo Dong Giang, vice chairman of the State Cooperation and Investment Commission: "The forum itself reflected the response to Vietnam's open-door policy, an unprecedentedly positive, wide, and strong response that went beyond our initial expectations. It also has important significance at a time when the investment environment and international conditions are not yet favorable for Vietnam. It helped to answer these questions: Can we overcome the difficult that now exist? And has the embargo policy become outdated?"

### **Garment Industry Seen Stronger in Exporting**

*BK1006163791 Hanoi VNA in English 1434 GMT  
9 Jun 91*

[Text] Hanoi VNA June 9—Garment-making is a strength of Vietnamese light industry, contributing to boosting the country's exports and improving its balance of payments. In 1990, it exported a volume of goods

worth more than 200 million roubles and U.S. dollars, accounting approximately for 10 per cent of the total value of Vietnam's exports.

The Union of Enterprises for the export-import of ready-made clothes—Confectimex—is the biggest and most experienced establishment of its kind.

The union was founded in 1958 through the merger of a few garment-making units with only obsolete equipment.

By now it has grown to comprise 14 factories with more than 10,000 pieces of machinery and tens of thousands of skilled workers.

"1990 was full of hard trials for Confectimex," said Deputy Director Phan Thi Nhue. "Many contracts signed with the Soviet Union and Eastern European countries were cancelled. The prices of materials rose sharply and our experience in doing business with capitalist countries was very limited. Besides, the reorganization of management at the level of both the union and individual enterprises to meet the requirements of the market economy also affected our operations."

In spite of all this, in 1990 Confectimex exported more than 33 million products worth about 90 million roubles and U.S. dollars.

Apart from traditional markets like the Soviet Union and Eastern European countries, it has made inroads into capitalist markets—the Federal Republic of Germany, the Netherlands, Canada, South Korea, Hong Kong.... To this end, in 1990 Confectimex had to make the necessary investments for the purchase of modern chains of production from Japan and the Federal Republic of Germany, for instance, one for the making of modern-style denim jeans and electronically programmed embroidering system, cloth-cutting machines, etc.

The fashion-design centre of Confectimex annually produces thousands of new models: men's shirts, European women's dresses, woolen clothes, jackets, jeans, underwear.... In addition, Confectimex has promoted the production and marketing of products specially designed for certain categories of Western customers.

Mrs Phan Thi Nhue says that her union plans to export about 35 million products in 1991 and that in 1995 this figure could be raised to 10 million.

### **Deputy Minister Interviewed on Food Shortage**

*912E0167A Hanoi QUAN DOI NHAN DAN  
in Vietnamese 9 Apr 91 p 3*

[Interview with Nguyen Thien Luan, vice minister of agriculture, by Viet An; place and date not given]

[Text] Grain is a current problem about which readers around the country are concerned. They have many questions about it. To help answer the questions, a QUAN DOI NHAN DAN reporter met with Ministry of

Agriculture and Food Industry leaders. When he went, Minister Nguyen Cong Tan was out of the country on business. Nguyen Thien Luan, the permanent vice minister, answered a number of questions posed by readers. The following is that interview:

[Reporter] Why has there been a shortage of grain in the past period and what measures have been implemented to solve this problem?

[Luan] According to the combined figures of the Ministry of Labor, War Invalids, and Social Welfare, as of the end of March 1991, there were approximately (16 provinces sent reports) 5.4 million households that lacked grain. Of these, 2.3 million were suffering serious shortages. These households were concentrated in Son La, Lai Chau, Hoang Lien Son, Cao Bang, Bac Thai, Ha Tuyen, Ha Son Binh, Thanh Hoa, Nghe Tinh, Quang Binh, Quang Tri, Thua Thien-Hue, and Quang Nam-Danang provinces.

There are a number of reasons why this year's grain shortage began earlier (beginning in December 1990 just after the harvesting of the 1990 tenth-month crop) and has affected a larger area.

A number of places were hit by natural disasters and lost part of the crop (in the mountains, along the coast in Region 4, and in the midlands). As a result, a larger number of households lack food.

In rural areas, 5-10 percent regularly lack grain, even in normal years. This stems from a shortage of laborers, the low level of intensive cultivation, or the lack of planned targets. Because of this, there is a shortage of food, people do not earn enough to meet expenses, and at a time when the price of rice is rising, people do not have enough money to buy enough to eat.

In a number of places where people grow industrial crops or make handicrafts or goods for export (rush mats and so on), they can't sell their goods, or they have to sell them at such low prices that they cannot afford to buy rice.

Some of the cadres, workers, and civil servants at a number of enterprises do not have work, or do not have enough work, and wages are low. (According to a report by the Ministry of Labor, War Invalids, and Social Labor, approximately 10 percent of production workers and 20 percent of low-income administrative and professional cadres lack sufficient food.)

In order to solve this problem, the chairman of the Council of Ministers has instructed that in addition to promoting the growing of vegetables and subsidiary food crops, transporting grain from places with a surplus to places suffering shortages, creating jobs, and helping each other solve problems on the spot, state aid must be carefully examined in each case. Food may be loaned and repaid after the harvest. Only when people are isolated should help be given, and local budgetary funds be used to help solve the problems.

Since December 1990, the Council of Ministers has conducted a relief campaign, providing 3.2 billion dong, which is equal to 1,600 tons of rice, and decided to loan 8 billion dong, equal to 4,000 tons of rice (before Tet). On 2 April 1991, the Ministry of Labor sent a letter to the Council of Ministers asking to borrow 106 billion dong, or 5,300 tons of rice. The Council of Ministers responded to this several days ago.

[Reporter] Can it be said that grain exports do not have any direct effect on the food shortage?

[Luan] In 1990, more than 1.4 million tons of rice were exported, which was about the same amount as in 1989. But that is not why the country has experienced grain shortages.

In the north, because of the special production allocations and the population characteristics, every year there is a shortage of grain, and grain has to be sent from Nam Bo. From the end of November to the end of December 1990, more than 60,000 tons were sent from Nam Bo. From November 1990 to the end of March 1991, more than 230,000 tons were sent north from Nam Bo, which is an average of more than 40,000 tons a month.

During the 1st quarter of 1991, only about 20,000 tons were exported, which is not a very large amount. In comparison, during the 1st quarter of 1990, more than 340,000 tons were exported. During the 2d quarter, preparations are being made to export rice, but there is still a shortage of money to purchase rice.

As a result, rice exports at the beginning of 1991 did not have much impact on the amount of rice in circulation on the market. However, the people and cadres felt that prices were rising at a time when a number of central and local import-export corporations were preparing to buy export rice in the south. This generated fears that there would be a shortage and caused widespread talk.

[Reporter] One of the very important measures is to step up production. Would you tell us about the situation and prospects for this year's winter-spring crop?

[Luan] This year's winter-spring season has basic favorable conditions. In the northern provinces, from November to March, the average monthly temperature has been 0.4-1.5 degrees centigrade higher than last year and many previous years. Last year's rains were good, and the spring rains were heavier than usual. Thus, drought in the northern provinces is not a serious problem right now. Recently however, there has been a drought in a number of zones in the former Zone 4. In the south, floods in 1990 left large deposits of silt along the Tien and Hau rivers, which contributed to increased winter-spring rice yields in the Mekong Delta. The ministries of agriculture, energy, and water conservancy are coordinating closely to regulate the amount of water going to the 530,000 hectares in the electric pump area of Nghe Tinh, the northern area of the Ma River, and the Red River Delta. The weather is favorable and seedlings have been sown in a fairly concentrated way and are

growing well. There are sufficient good quality seedlings to transplant in the entire area.

Because active steps have been taken to obtain seedlings, the transplanting is proceeding quickly. Before Tet (10 February 1991), 73 percent of the area had been transplanted. Today, a number of provinces such as Thai Binh, Nghe Tinh, Thanh Hoa, and Haiphong have completed transplanting. As of 20 February, all of the north had completed the transplanting of the winter-spring rice. Thus this year, the area transplanted at the most favorable time is larger than in previous years. Nationwide, the area planted in winter-spring rice has exceeded the plan by 0.65 percent, an increase of 3 percent compared with last year's winter-spring season. The planting of high-yield rice varieties that are of fairly good quality has been increased. This includes IR66 in the Mekong Delta and CR203 in the north (which has been planted on 70 percent of the area). The quality of the rice varieties has been improved, and many provinces such as Hanoi and Ha Nam Ninh have responded to attempts to improve the quality of the seeds. In this, Hanoi carried on "upgrading the rice seed to Grade 1" during this winter-spring season.

However, this winter-spring season has presented and continues to present many difficulties. Two percent of the winter-spring rice area in the north was transplanted early and old seedlings were transplanted. As a result, the rice headed at the end of March when the weather was still cold. This affected yields. In March in the north there was little sunlight and it was particularly cold at the beginning of April. This provided the conditions for the rapid growth of harmful insects and diseases such as rice blast, "kho van" disease, brown planthoppers, and leaf rollers. In the south, at the beginning of March, brown planthoppers began expanding rapidly. These posed a great danger to the area. But thanks to discovering them and taking action in time, the damage has been limited. In general, unless there are major changes, this year's winter-spring crop should produce yields similar to those of last year's winter-spring rice crop.

[Reporter] There is presently a lot of talk about the lack of chemical fertilizers. What is the truth?

[Luan] This year, about 1.2 million tons of nitrate fertilizer and 1 million tons of superphosphate fertilizer are needed.

In previous years, most of the nitrate fertilizer used was imported from the Soviet Union. In 1991, according to an agreement signed by our two countries, the Soviet Union is to sell us 760,000 tons of urea, and it was thought that the Nam Bo provinces would have enough fertilizer for production. It was thought that about 630,000 tons of urea and 17-18 tons of DAP would be imported. But the actual situation during the 1st quarter has been different from what had been predicted. During the 1st quarter, the Soviet Union sent a very small quantity of fertilizer, about 30,000 tons, only 16 percent of the amount sent during the same time last year. The

Mekong Delta provinces have brought in a very small amount of Zone 2 fertilizer. The amount of fertilizer brought in has been enough to satisfy only 25-30 percent of the needs of the entire region. In a number of areas in the world, the price of fertilizer increased rapidly when war broke out in the Persian Gulf. Today, prices have dropped a little, but are still very high.

In the face of this situation, the Ministry of Agriculture and Food Industry, and the sectors affected have looked for positive ways to solve this problem in order to provide fertilizer for production. To date, adequate amounts of fertilizer have been provided for the winter-spring crop, and we can provide enough for the summer-autumn crop. At the same time, we are preparing sources for the tenth-month crop.

Because the price of imported fertilizer has increased, domestic prices have had to be adjusted accordingly in order to ensure that people do not suffer losses. However in many places, peasants have had to pay excessively high prices. One reason is that fertilizer is not supplied directly to the people but passes through two or three middlemen. As a result, expenses increase. A number of private traders profit from buying and selling fertilizer, with the result that prices rise. Second, there is no fertilizer reserve. Nationwide regulation of the fertilizer supply is done seasonally. If a locality begins the agricultural season early, fertilizer is supplied there first. If a locality begins late, it is supplied fertilizer later. Usually, the fertilizer must be supplied on schedule even though there are times when places are supplied somewhat behind schedule. This creates a bad atmosphere. Peasants have to buy fertilizer from the "speculators," who sell at a high price.

Today, the sectors of the Ministry of Agriculture are searching for sources of fertilizer for production. At the same time, the agricultural materials sector is striving to improve the fertilizer supply system. It has now implemented two levels. The central sectors are primarily creating import sources and selling fertilizer. The material supply organizations in the provinces are responsible for selling fertilizer directly to the peasants in order to reduce costs. They are also controlling prices and ensuring that peasants can buy fertilizer at reasonable prices that correlate to the price of rice and other agricultural products.

### Prospects for Export of Labor Viewed

912E0163D Hanoi QUAN DOI NHAN DAN  
in Vietnamese 19 Mar 91 p 3

[Article by Thieu Quang Bien]

[Text] At this time last year, our exports of construction workers seemed favorable. Our two principal markets were the Soviet Union/Eastern Europe and the Middle East. Sending construction workers abroad based on "work-study" agreements had been gradually changed to sending them abroad on the basis of accepting a portion of the labor expenses according to different levels and

formulas. In the Soviet Union and Bulgaria, the construction industry then had eight corporations and enterprises with the credentials of juristic entities. These eight corporations had their own seals, were financially independent, and had the authority to sign contracts with the commercial production organizations of the host country.

At that time, the labor force of the construction sector abroad totaled 11,729 people. VINACONEX (the Foreign Construction Services Corporation), which is subordinate to the Ministry of Building, contracted with Iraq to send an additional 5,000 workers (if this contract had been implemented, the total number of workers in Iraq would have risen to almost 11,000). New contracts were also signed with the Far East zone in the Soviet Union and Askhabat City for an increase of approximately 1,000 people. There were also other requests from Iran and Kuwait, but international relations at that time were very delicate and we thus could not export workers. VINACONEX continued to search for markets in Algeria, Japan, Thailand, Laos, and Cambodia.

The turmoil caused by changes in Eastern Europe and the Soviet Union, and the war in the Persian Gulf reduced labor markets in general, and the construction labor market in particular, and caused many difficulties for the export of construction workers. The plan to send 5,000 workers to Iraq in 1990 came to nothing. Instead, we had to rush to withdraw all our workers from Iraq under very complex conditions. The construction forces in Bulgaria have also encountered difficulties. There is a shortage of work, wages are low, and 2,100 people have had to return home. As for Czechoslovakia, in order to deal with the new situation, VINACONEX promptly formed the Vinaserco-Prague Corporation, a unit with the credentials of a juristic entity. This corporation was given permission to operate as a foreign company in the local country. It has its own seal, foreign and domestic currency accounts, and the authority to sign business contracts with legal organizations. This was approved by the Ministry of Finance and the Prague Municipal People's Committee.

However, with the formation of a new unit abroad, the unit has little money with which to support itself, and it does not have much experience. As a result, it has encountered many difficulties. In Algeria, there have been various changes concerning the management of foreign workers, particularly in granting commercial independence to enterprises. Foreign workers are not being hired; instead, contracts are being awarded to domestic and foreign companies. The director of VINACONEX in Algeria is to sign contracts with companies to send engineers and workers to work for them and to discuss expanding cooperation on many fronts. An offer has been made to have the Ho Chi Minh City Patterned Brick Enterprise No. 1 engage in joint production with Algeria. With the new mechanism of our friend, VINACONEX is looking for a way to sign subcontractor contracts with foreign companies that have construction contracts in Algeria, as well as sign contracts with local

construction companies. Recently, VINACONEX established relations with Corporation 891 in Laos concerning a trade center in Thakhek. The work has already gotten underway. The economic and technical details have been completed, draft plans have been drawn, and project estimates have been made. The problem is capital.

In general, our export of construction workers is very dynamic, and every effort is being made to increase possibilities. Our construction cadres and workers abroad have worked hard and suffered privations in order to send their initial incomes home. According to a notice issued by VINACONEX, units subordinate to the ministries of building and labor in Iraq have made contributions to enable the state to repay approximately \$12 million in debts, the equivalent of 70 billion dong, out of total revenues of 160 billion dong earned for the national economy. Because of the changes in Eastern Europe and the Gulf crisis however, our export of construction workers is unstable. There is no aspect that is stable. On-the-spot construction exports have not increased and there are still many obstacles stemming from the U.S. embargo. In recent years, changes made in our foreign investment policy have attracted the attention of many foreign businessmen from Australia, Canada, Japan, South Korea, and Thailand. They have come here and made investment estimates; however, many of these have just been surveys. VINACONEX thinks that in view of the above situation, there must be a new strategy for this aspect of work.

The first quarter is almost gone, but the numbers in the export of construction workers still has many unknowns and is difficult to predict. VINACONEX must continue to withdraw all workers still in Bulgaria and Germany and some who work for the Far East Construction Corporation (Soviet Union). It is predicted that by the middle of 1991, there will be about 700 construction workers remaining in the Soviet Union, that is, about 400-600 at the Far East zone, 122 in Askhabat City, and 170 at a Belgian Corporation that is building a hotel in Moscow.

Peace has been restored in the Persian Gulf region and there have been debates over sending construction workers back to Iraq. Foreign companies have asked VINACONEX to study the feasibility of sharing contract labor expenses when they receive bids for construction projects in Kuwait, Iraq, Iran, and other Gulf countries. There are signs that the Gulf region is a prospective market for the export of our construction workers. Perhaps in that market, Vietnam's construction workers will enjoy a position of respect.

## SOCIAL

### Committee Calls for Dismissal of Vice Minister 91P30150A

[Editorial Report] The Ho Chi Minh City newspaper TUOI TRE reported on 4 May that the Municipal

People's Committee has called for the dismissal of Vice Minister of Agriculture and Food Industry Nguyen Thien Luan because of his involvement in a coverup of the so-called "theft of 51.8 tons of monosodium glutamate" (MSG) from the Thien Huong factory. In a formal document sent to the party's secretariat, the Standing Committee of the Council of Ministers, and the state inspector general, the People's Committee, siding with the Municipal CPV [Communist Party of Vietnam] Standing Committee, cited findings from a preliminary investigation of the theft showing that innocent people were arrested on made-up charges and that the principal culprit was Nguyen Thien Luan. The committee specifically asked the Council of Ministers and the state inspector general to order the Ministry of Agriculture and Food Industry to conduct an official investigation. It also suggested official vindication and material compensation for those who were wrongly charged, and appropriate punishment for the guilty parties.

#### **Official: Rampant Unplanned Southward Migration**

*BK2705095391 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 16 May 91*

[Interview with Nguyen Van Thanh, director of the Labor and Population Mobilization Department by Hanoi TV correspondent; place and date not given—recorded]

[Summary] [Correspondent] Could you please tell us about the problem of unplanned migration and its consequences?

[Nguyen Van Thanh] The problem of unplanned migration, which began in 1976, has increased in intensity in recent years. Between 1989 and early 1991, more than 40,000 people have left their homes, causing an adverse impact on our compatriots at the final destination. As a concrete example, we can cite the seriousness of forest destruction in Song Be and Dac Lac Provinces. In Dac Lac Province alone, as many as 1,000 hectares of forest land has been destroyed. According to a report filed by

Song Be Province, nearly 5,000 hectares of forest land, including watershed forest land, has also been ravaged.

The second adverse consequence of the problem lies in the miserable plight of those compatriots moving southward. There has been a lack of schools, kindergartens, and public healthcare facilities for everyone. As many as 90 percent of our migrant compatriots have suffered from malaria. Moreover, some social problems like drug addiction have spread to our compatriots at their destination.

In our opinion, this problem has caused very difficult problems to the local administrative organs and people. Therefore, we need to make a thorough study and work out a solution as soon as possible.

[Correspondent] Have the state and the Labor and Population Mobilization Department done anything about this situation?

[Nguyen Van Thanh] Upon receiving reports from the various provinces, we have met with the sectors concerned and have kept the Ministry of Labor, War Invalids, and Social Welfare informed of the situation. We are going to inform the Council of Ministers of the incident, considering it to be an urgent problem to be resolved.

First of all, it is necessary to put an end to the current food shortages. Second, it is important to help cure malaria for our compatriots. Third, it is our ministry's policy to implement effective population distribution projects to prevent our compatriots in such unplanned migration prone provinces as Cao Bang, Lang Son, Hoang Lien Son, Lai Chau, and Son La from leaving their homes.

In this connection, we have implemented 10 major projects aimed at providing jobs for 50,000 workhands and at meeting our compatriots' needs in terms of kindergartens, public healthcare facilities, and schools.

In our opinion, if our compatriots do not have enough land to work on or lead an extremely miserable life, they do not have any alternatives other than leaving their homes for somewhere else.

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